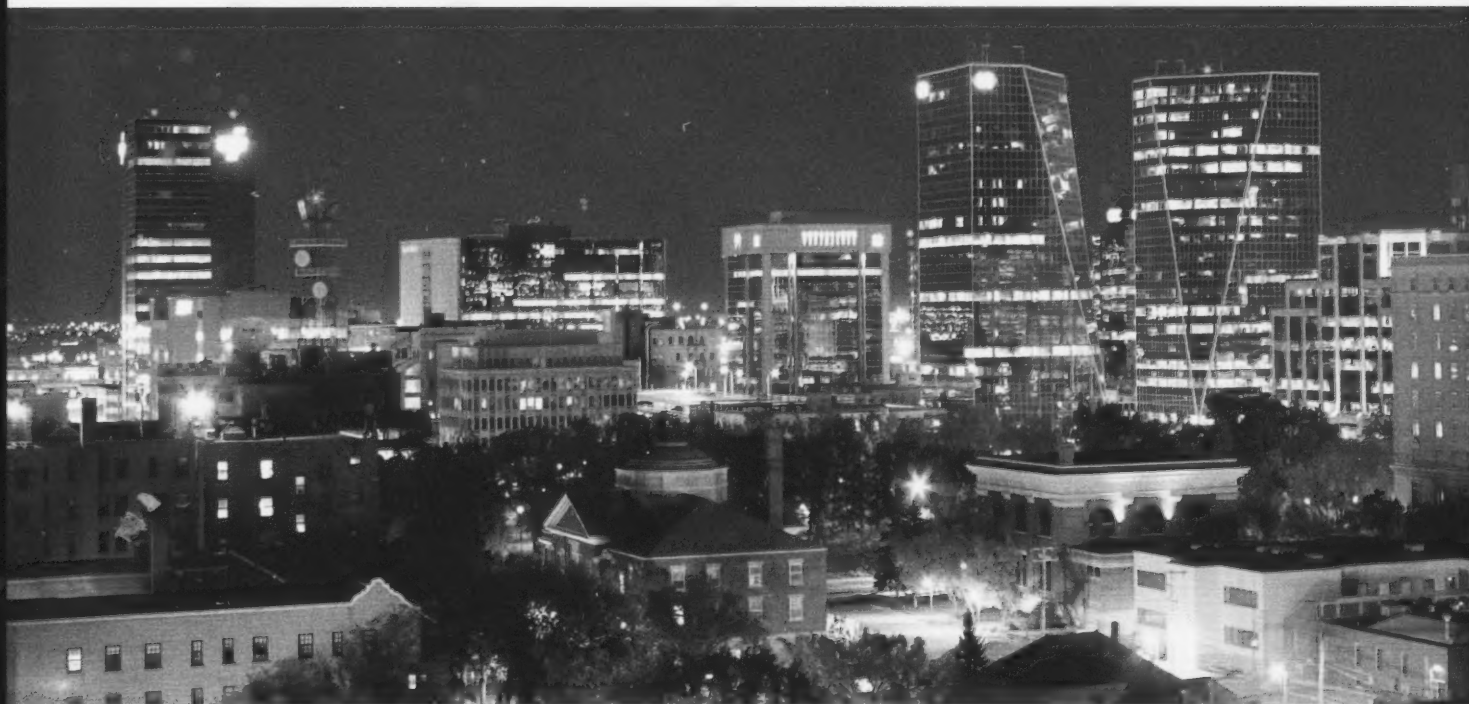


2014-2018
CITY OF REGINA
GENERAL CAPITAL PROGRAM
AS APPROVED BY CITY COUNCIL



City of Regina



REGINA
Infinite Horizons

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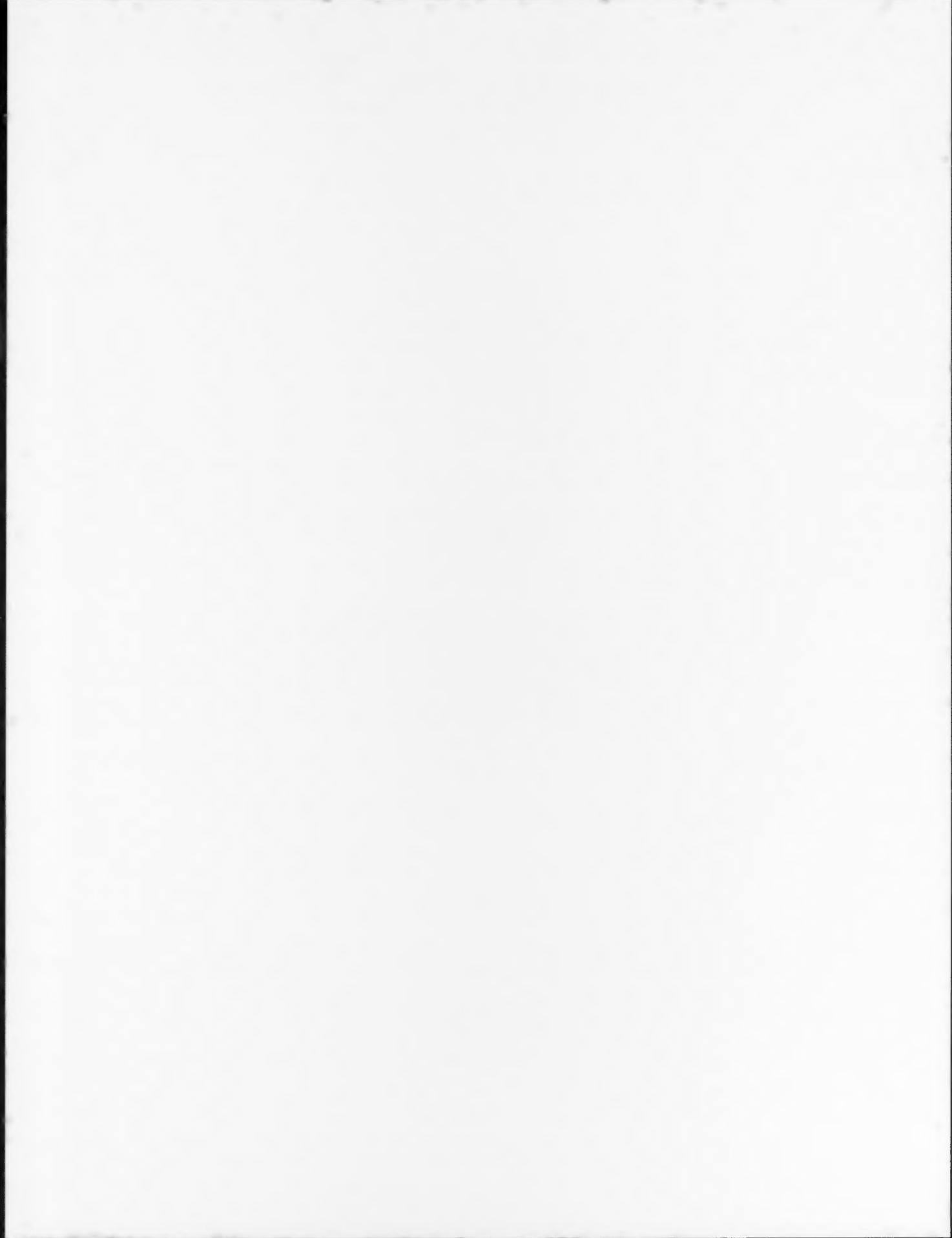
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February 4, 2014

To: His Worship the Mayor,
and Members of City Council

Re: 2014 – 2018 General Capital Budget and Investment Program

Each year City Council is required to adopt an operating and capital budget. There are three components to the budgets, the General Operating Budget, the Water and Sewer Utility Budget and the 2014-2018 General Capital Budget and Investment Program. **This document is the 2014 – 2018 General Capital Budget and Investment Program.**

The 2014 General Capital Budget is \$162.2 million, an increase of 63.8% or \$63.2 million over 2013. The increase primarily reflects an additional investment in the Regina Revitalization Initiative Stadium Project \$45.3 million, Landfill Costs \$5.6 million, Hawkstone Land Development \$15.3 million and a reduced investment in Facilities of \$2.7 million.

The General Capital Investment Program represents a balance between the fiscal constraints facing the City and the capital requirements. It has been built around City Council's Vision.

**Canada's most vibrant, inclusive, attractive,
sustainable community, where people live in
harmony and thrive in opportunity.**

The key components of the 2014 – 2018 General Capital Investment Program include:

- Funding for the Regina Revitalization Initiative is \$59.4 million in 2014 for the Stadium Project.
- Funding for Street Infrastructure Renewal is \$18.0 million in 2014; this is the same as 2013 funding levels.
- New Roads Program for Local Roads of \$1.7 million. By the first quarter of 2014, the City of Regina will develop a neighbourhood street renewal program based on the recommendations from the State of Roadways Infrastructure Report. The program will be a long term strategic initiative to rebuild and renew our neighbourhood local and collector roadways and sidewalks.
- Funding for replacement of Victoria Avenue East Bridge at Pilot Butte Creek is \$6.5 million in 2014.

- Funding for the rehabilitation of bridges totals about \$5.5 million, an increase of \$2.3 million from 2013 funding levels.
- Funding of \$10.6 million in 2014 and a total of \$32.9 million over five years for the landfill. The funding includes the cost of capping and closing the existing landfill; landfill gas collection Phase II; and design and construction of a new landfill site.
- Funding of \$2.7 million in 2014 for Traffic Control and Safety.
- Funding of about \$5.9 million in 2014 for facilities management. Over the next five years a total of \$64.1 million worth of work is planned.
- The City is currently developing a long-term plan to identify community needs and infrastructure work required to maintain five outdoor pools into the future. A total of \$14.9 million has been allocated over 2014 – 2018.
- Funding of about \$16.3 million for the vehicle and equipment fleet in 2014 and \$54.2 million over five years.
- Investment of \$22 million in Land Development. The funding includes Hawkstone Land Development, the development of Parliament and Queen and the South East area of Regina.

Regina, like other cities, is facing a problem of aging infrastructure coupled with requirements resulting from growth and increased standards. During 2008, the City projected its infrastructure requirements, including rehabilitation of existing infrastructure and the demand for new infrastructure resulting from growth, at about \$2.1 billion in 2009 dollars, of which \$1.2 billion is unfunded through any existing sources.

While there is virtually universal recognition of the need to increase capital spending, the challenge continues to be finding sources of funding that are predictable and sustainable. The assumption of increased levels of debt will require additional operating funding to support debt repayment.

The 2014 – 2018 General Capital Investment Program reflects an estimate of about \$10.9 million in annual infrastructure grants from the Federal Gas Tax Grant. Agreements for this Federal program are in place until 2013/14. The Government of Canada, on its Infrastructure Canada website has stated that it will continue to deliver Gas Tax Fund payments beyond 2014, the type of time frame which is essential for effective infrastructure planning. It is important that this continue in the future, with projections updated on a regular basis.

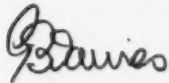
The capital funding plan includes civic current contributions of \$29.4 million for 2014, which is an increase of \$5.2 million over the 2013 funding level. The capital funding plan also includes current contributions to capital for the Regina Police Service of \$2.0 million. Current contributions to capital for Civic and Regina Police Service are at record levels and are \$14 million higher than the most recent ten year average.

The program includes \$15.0 million of new debt to be used for the Regina Revitalization Stadium Project for 2014.

Funding from reserves will total \$51 million of which \$9.9 million is sourced from the Fleet Replacement Reserve, \$22.2 million sourced from the Land Development Reserve and \$13.1 million is sourced from the Solid Waste Reserve.

The 2014 – 2018 General Capital Investment Program demonstrates progress in addressing the priority needs of the community. It has been developed with a focus on City Council's Vision. It provides a balanced approach, including the use of relatively modest debt levels to permit the City to move forward with priority projects with long term benefits for the community and strengthening of reserves to meet long term capital requirements.

Respectfully submitted,



Glen B. Davies
Chief Administrative Officer & City Manager

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Introduction

2014 Budget Overview

The 2014 General Capital Budget is \$162.2 million, an increase of 63.8% or \$63.2 million over 2013. This increase reflects investment in land development to support growth and the City's response to the pressures of maintaining, renewing, and in the case of Mosaic Stadium, replacing aging infrastructure.

A report for the Federation of Canadian Municipalities (FCM) in 2007 noted, "...for the past 20 years, municipalities have been caught in a fiscal squeeze caused by growing responsibilities and reduced revenues. As a result, they were forced to defer needed investment, and municipal infrastructure continued to deteriorate..." Like other municipalities, Regina has historically chosen to defer infrastructure maintenance in order to minimize the burden on tax payers. Now unprecedented growth in the city has created pressure to build new infrastructure at the same time that the need to renew and replace existing infrastructure has reached a point of urgency.

Even at this level of funding, difficult choices have had to be made within the 2014 Capital program and important infrastructure maintenance continues to be deferred. Funding for the 2014 Capital program has also placed a strain on other areas of the City's operations, and has contributed to the need to increase revenues.

Strategic Context for the 2014 Budget

The City of Regina is committed to strategic planning as a means to design and execute action plans that will help us achieve ambitious near, medium and long-term goals. Strategy is the integrated set of choices that positions the City to act sustainably, and to provide those services that are critical to the quality of life of its citizens. Strategic planning drives the prioritization and decision making critical to the City's budget, business planning, and the services we deliver to residents.

Regina is experiencing an unprecedented level of growth, and all indicators suggest that this growth will continue in 2014. Growth in the economy and population of the city ultimately means a better standard of living for Regina residents. The opportunities presented by growth are central to the City's development of a new Official Community Plan (OCP) for Regina, which was approved by Council in 2013. Design Regina articulates a 25-year Vision and Community Priorities, and sets out policies that will support and guide Regina's growth to a population of 300,000. Over the next four years the City of Regina's strategy is focused on building the foundation for sustained growth and achievement of the Design Regina Community Priorities.

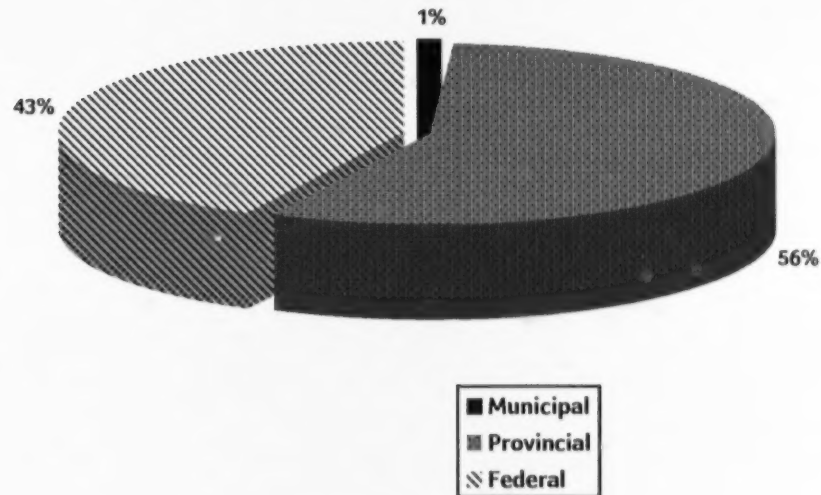
Building the Foundation

By 2018, the City of Regina will operate from a position of strength to achieve the Design Regina Community Priorities. The City will be recognized, in particular, for a long term financial sustainability strategy and its increased ability to deliver innovative services in a fiscally responsible manner.

The City of Regina supports and actively promotes growth for the city and region. In order to sustain growth, the City must confront challenges in its finances and the state of the assets that deliver services to residents. The reality is that the rapid and extended period of growth the community has experienced has coincided with a period of steep inflation in the costs of materials and other goods the City requires, and decreased investment, particularly in capital infrastructure, from other levels of government. Furthermore, the City has limited sources of revenue to fund the new and renewed infrastructure and services our

growing population requires. One of the main revenue tools the City relies on are property taxes, which do not grow with the economy like tax tools used by other levels of government.

Real per capita revenue growth 1990-2007



Until recently the City has relied on excess capacity in infrastructure developed in the 1970s to accommodate a growing population, and has deferred maintenance and renewal in order to continue to deliver services while keeping property taxes low. We have now reached the limits of what that infrastructure can bear and new investment will be required to both maintain service to current residents, and to allow Regina to grow to the next level. The City of Regina has more than \$2 billion of backlog in work needed just to repair or replace our aging infrastructure.

Ultimately, building the foundation for sustained growth and prosperity means that citizens, elected officials, and Administration alike will have to work together to agree on sustainable financial models to ensure both services and the assets that deliver them receive appropriate levels of investment.

2014 Budget Process

Budgets support and define the City's priorities. The process to develop the budget always involves difficult choices, but even more so as the City of Regina faces expenditure growth that far outstrips revenues, a prolonged period of economic growth requiring new infrastructure development, and a growing infrastructure gap. The four year vision of strengthening the foundation upon which the City operates, combined with the constrained resource picture projected for 2014, drove choices in the 2014 Capital Budget.

In 2014 the City is investing in growth, as well as in critical infrastructure maintenance and rehabilitation. The Capital budget was built by focusing on achievement of a minimal level of:

Repair and Rehabilitation to take care of our existing assets and maintain service levels in the near term
Replacement and Major Upgrades to replace assets that are required but obsolete; and,
New Asset Investments that include high-priority growth related requests.

Even at minimal levels of investment in each of these categories, additional critical capital expenditures in the order of \$27 million have had to be deferred. These unfunded items include investments in traffic control and safety, facilities in need of repair, and corporate infrastructure that would make delivery of certain services more efficient.

The Need for Infrastructure Investment

The need for infrastructure investment in Regina, like most western Canadian cities, arises in primarily three ways: replacement of existing infrastructure, increasing standards, and new infrastructure to support growth.

"Canadian municipalities build, own and maintain most of the infrastructure that supports our economy and quality of life. Yet for the past 20 years, municipalities have been caught in a fiscal squeeze caused by growing responsibilities and reduced revenues. As a result, they were forced to defer needed investment, and municipal infrastructure continued to deteriorate, with the cost of fixing it climbing five-fold from an estimated \$12 billion in 1985 to \$60 billion in 2003. This cost is the municipal infrastructure deficit, and today it has reached \$123 billion.

The upward trend of the municipal infrastructure deficit over the past two decades points to a looming crisis for our cities and communities and ultimately for the country as a whole. The deficit continues to grow and compound as maintenance is delayed, assets reach the end of their service life, and repair and replacement costs skyrocket. When compared with earlier estimates, the \$123 billion figure clearly shows the municipal infrastructure deficit is growing faster than previously thought."

- Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure – A Report for the Federation of Canadian Municipalities, Saeed Mirza, PhD., Ing., November, 2007.

The infrastructure gap is difficult to estimate, and because of that, some would suggest that it does not exist or is exaggerated. The numbers presented seem incredible and unmanageable to the average person. However, it is important to understand that the variability in the numbers is due to the greater degree of professionalism and scrutiny brought to infrastructure management. As better data and more analytical techniques are incorporated into infrastructure management, the information produced to aid in decision making becomes more precise.

Municipalities do not simply go out and rebuild the same piece of infrastructure at the end of its life cycle. Community needs and regulatory requirements are constantly evolving. Municipal infrastructure managers are responsible for incorporating improvements in safety, efficiency, environmental impact, aesthetic design, and productivity in their work on an ongoing basis.

At the same time, communities are growing. An engineer cannot just approach a roadway project for resurfacing only; any cost effective approach means that new capacity and safety considerations must also be included. It becomes very difficult to separate the cost of 'replacing existing infrastructure' from service level improvements and expansions.

Consequently, there is no generally accepted method for estimating exactly what the level of infrastructure funding should be. In carrying out the study for FCM, the following definition was used:

"In formal terms, the municipal infrastructure deficit refers to the following:

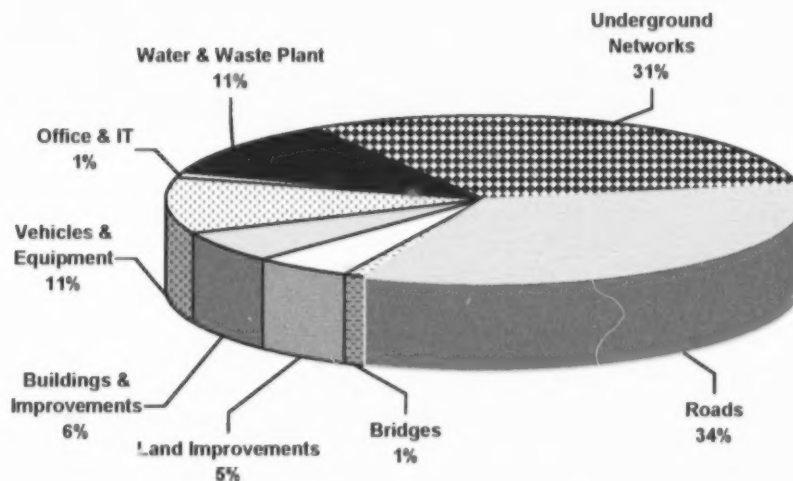
- the unfunded investments required to maintain and upgrade existing, municipally owned infrastructure assets; and
- the funding needed over and above current and projected levels to bring existing facilities to a minimum acceptable level for operation over their service life, through maintenance, rehabilitation, repairs and replacement."

Regina also has significant requirements for infrastructure related to new growth. Much of the funding for infrastructure for greenfield development is provided by developers through Servicing Agreement Fees (SAF), however depending on the timing and sequencing of new development and the City's SAF Policy, the City will have to manage cash flows and a debt load that will force trade-offs against other capital investments. Infill development also puts pressure on existing infrastructure. Typically, infrastructure upgrades required in support of infill development are directly funded by the development proponent. The City plans to develop an intensification strategy, which could result in changes to the way infill development is funded.

Measuring Regina's Infrastructure Gap

The value of Regina's infrastructure is estimated at \$4.2 billion in 2009 dollars. This includes a wide range of assets from roads and bridges to vehicles and equipment. The mix of the City's infrastructure is found in the chart below.¹ Land holdings, which are part of the City's asset mix, are excluded from the picture below, as these assets do not degrade over time. They are also excluded from the calculation of total assets above.

Regina's Infrastructure Mix



Like many municipalities, the City of Regina's infrastructure is aging. The chart on the following page shows the current status of Regina's infrastructure in relation to its expected life span.¹ These averages disguise much deeper issues.

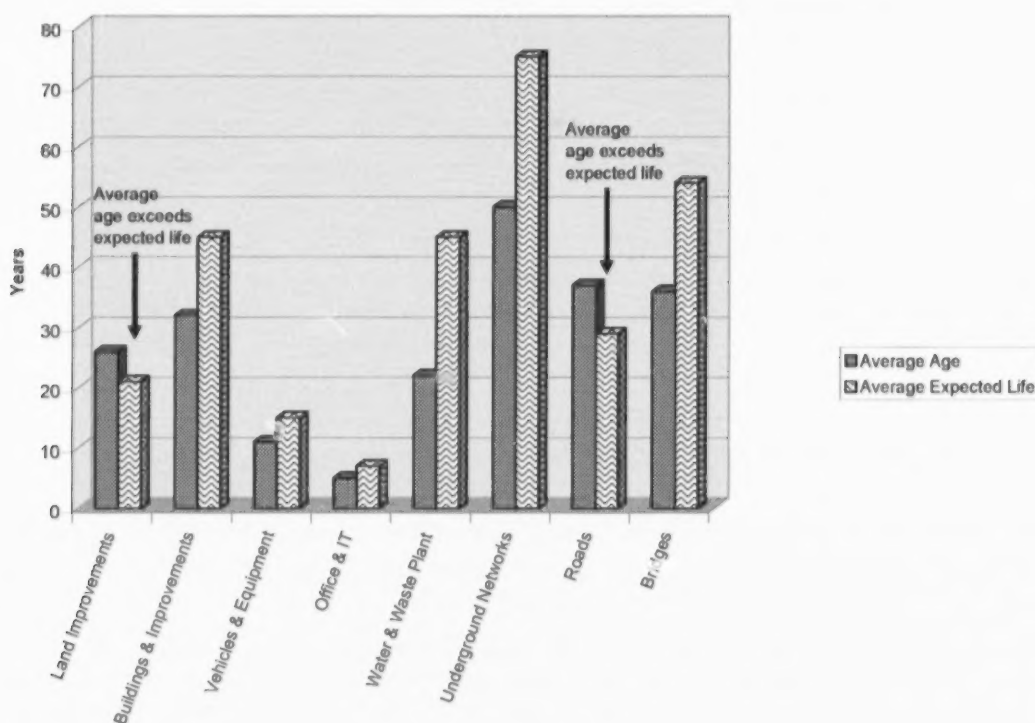
- The average age of infrastructure exceeds the average life expectancy in two areas – roadways (when surveyed, Regina residents routinely rank road and sidewalk conditions as the most important municipal issue) and land improvements (e.g. parks, landscaping, golf courses, etc.).
- Even where there is a positive overall gap between the average age of infrastructure and the average expected life, there are significant structures that far exceed the life expectancy estimates. For example, the City of Regina estimates that 12% of its sewer infrastructure is in excess of its 90 year expected life and 28% is in excess of 70 years old.

¹ City of Regina Tangible Capital Assets Data Base

- Regulatory change affects the rate at which infrastructure must be rehabilitated or replaced. For example, regulatory change requires that the City's Wastewater Treatment Plant be significantly upgraded by 2016, which is a major capital project. This is a significant project on its own, but it also affects the capacity of the City to invest in other necessary infrastructure.
- Technological change affects citizen expectations regarding information access and service response. To address these changing expectations, information technology and interactive tools must be constantly upgraded to meet consumer demand.

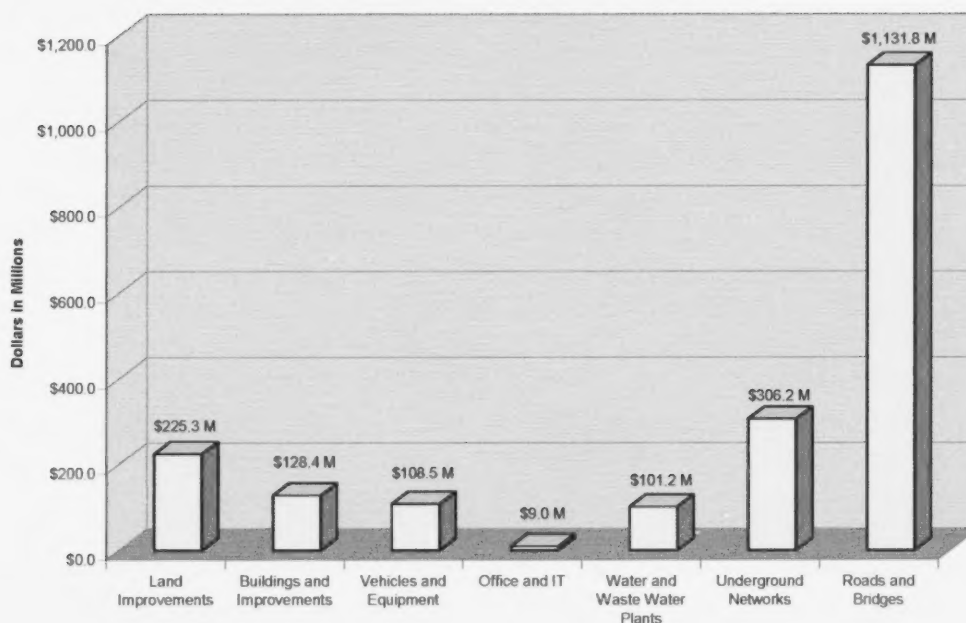
While average age compared to expected useful life is a simplistic approach to assessing the state of infrastructure, as it does not consider current condition, it does provide some initial information to support further asset management decisions.

Aging Infrastructure



Of the \$4.2 billion in assets held by the City of Regina, **\$2.0 billion** in investment is required in replacement (\$1.76 billion), rehabilitation (\$199.1 million), or maintenance (\$52.3 million). A more detailed breakdown is provided in the chart below. If rehabilitation work is postponed to the point where it is no longer a viable option, then replacement would be required at a cost of up to \$995.5 million, an increase of \$796.4 million. Any deferral of necessary rehabilitation could increase the gap to almost \$3 billion. This estimate represents the cost of work that is required to cover the appropriate care of the City's assets at this point in time. It does not include the cost of maintaining assets in the future as those assets reach their average life expectancy.

Investment Required to Replace and/or Rehabilitate Assets



Best practice suggests that assets should be rehabilitated before they reach their full life expectancy. This practice generally minimizes the need to fully replace the asset and can reduce the cost significantly. While the ideal timing of rehabilitation and the savings vary depending on the asset, it is estimated that, on average, assets should be rehabilitated when they reach about 75% of their average life expectancy and that such rehabilitation can be achieved at about one-fifth of the cost of full replacement (*Canada West Foundation*). Using this approach as the basis for calculation, it is estimated that, in addition to the cost of addressing the current gap, the cost of rehabilitating assets when they reach about 75% of their average life expectancy would be an additional \$34 million per year in current year dollars.

Depending on the level of external investment available from other levels of government, in recent years, the City of Regina's investment in capital has ranged from \$60 million to \$99 million. However, using the above forecasts for cost (\$34 million per year to achieve acceptable renewal plus \$93 million per year for twenty years to eliminate the current infrastructure gap), one can estimate the funding shortfall the City is between \$44 million and \$67 million per year.

Strategies to Reduce the Gap

It is important to note that Regina, like other municipalities, is not expecting other orders of government to fully fund all infrastructure requirements.

Across Canada, the infrastructure gap resulted from multiple factors, and Regina's approach recognizes that addressing the problem will require action in several areas, including:

- Increased funding of capital from the City's annual revenues; the increase of Current Contributions to Capital for the General Program went from 25.4 million in 2013 to \$31.4 million in 2014. This is a 23.6% increase and is reflective of additional capital funding increases of recent years.
- Adherence to the OCP and building partnerships in the region, and exploration of options in the phasing of new development, in order to ensure that policy and development decisions do not avoidably compound the demand for infrastructure;
- Servicing agreement fees that adequately fund the cost of new development and do not deplete other sources of funding required to address the infrastructure deficit;
- Accurately priced user fees that include the costs of infrastructure;
- A careful combination of "pay as you go" with debt to fund projects with long-term benefits;
- Solid asset management techniques, including long-term capital planning, that maximize the value of infrastructure spending; and
- Stable and long-term funding from the Federal and Provincial Governments, with flexibility to address the priorities within the community.

Over the next five years, it is anticipated that of the \$703.3 million General Capital Program, the City will fund \$493.5 million through contributions from reserves, debt, and from the tax base. It is estimated that an additional \$130.2 million will be received from Federal and Provincial infrastructure grant programs, based on funding levels from existing programs. Approximately \$54.5 million will be funded from servicing agreement fees and other contributions from developers. \$25.1 million will be funded from contributions by community partners and other external funding sources.

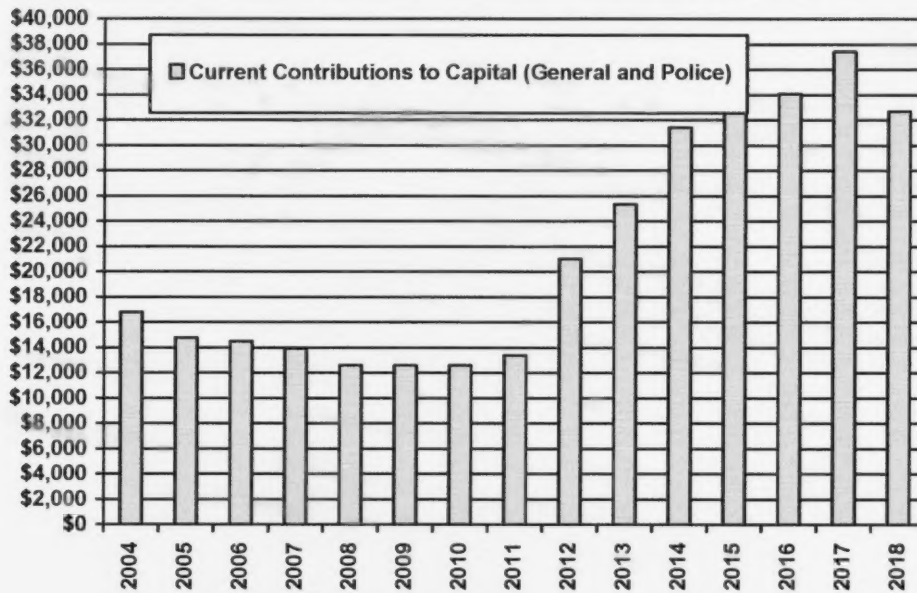
Up to \$143 million in utility infrastructure requirements will have to be funded from debt over the next five years, which will be repaid through utility rates.

Using the limited tools available, the City has taken several significant steps to address the infrastructure gap, based on the multi-faceted approach outlined above.

Funding from the Operating Budget

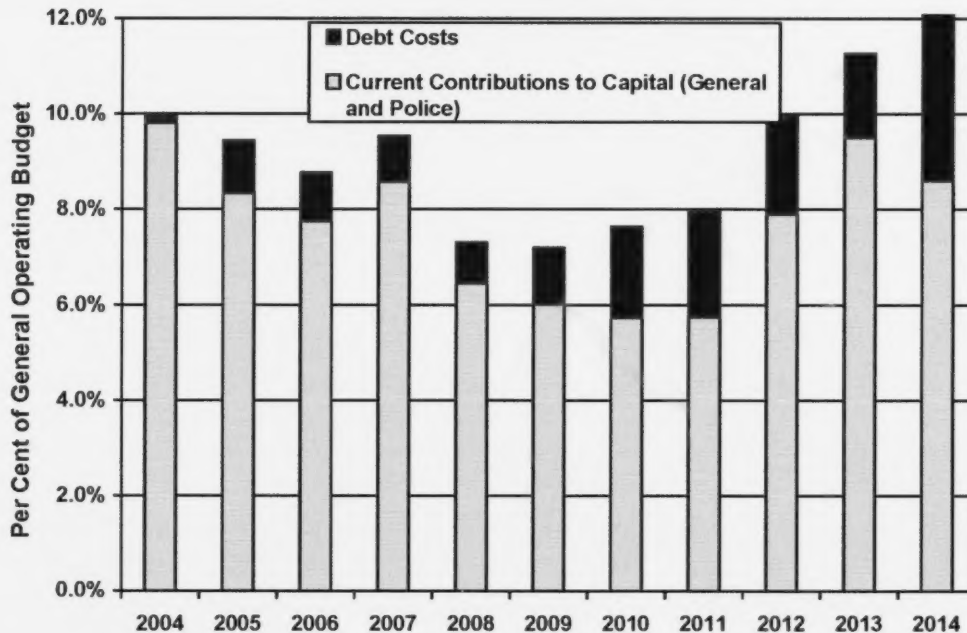
Despite continuing pressures for operating funding, the City has generally been able to increase the level of funding for capital from the general operating budget in prior years. Demand for funding from the Operating Budget will increase significantly in 2015 through 2018 as a result of significant capital projects unless other sources of funding can be found.

Capital Funding From Current Contributions – Historical and Projected



Capital funding from current contribution has been increased in order to compensate for the reduction in other external funding sources.

Capital Funding From Current Operations – 2004 to 2014 (Per Cent of General Operating Budget)



Servicing Agreement Fees

In 2007 the City completed a major review of the servicing agreement fee policy. The review included estimates of the capital requirements related to new development over the next 20 years. Regina had reached a threshold in that the majority of its existing developments were virtually complete, and a significant investment in infrastructure was required if the City was to grow. Regina's servicing agreement fees were significantly lower than those in most other cities across Canada. Because of the pace of development since 2007, the City's projections for 20 years of development happened over a condensed time period.

New policies were adopted by City Council in 2007, based on cost sharing between new developments and existing taxpayers, which resulted in formal policy approval in 2009 and amended policy in 2011 to include Development Levy charges. The 2014 fee rate is \$264,273 per hectare, up 9.2% from \$241,958 in 2013.

The areas identified for development in the 2007 policy review (which were expected to last 20 years) are nearing completion ahead of projections and the City is approaching the same situation it encountered in 2007. As part of the implementation of the City's new Official Community Plan, the City is developing a Phasing and Financing Plan to determine the appropriate way to provide service to areas identified for development in the near term. The Phasing and Financing Plan has identified a number of new projects that are needed to support growth of the new neighbourhoods. The Phasing and Financing Plan, along with a 2014 review of the servicing agreement fee policy, will identify ways to minimize deficit in the servicing agreement fee funds and minimize the taxpayers' share of growth.

Even with an increase in fees, it is expected that significant additional funding will be required to support these new neighbourhoods. As a result, there will be a significant cash outflow required by the City to fund taxpayers' share of infrastructure, as well as to finance the infrastructure paid for through servicing agreement fees. The amount financed by the City will eventually be repaid through servicing agreement fees as new development proceeds.

User Fees

The OCP enshrines the 'benefits model' as the means by which the City will evaluate and select funding options for the delivery of programs and services. (*Design Regina*, Goal 1.1) The benefits model includes the following principles:

- Where the benefits of a program or service are city-wide and shared collectively among numerous beneficiaries, the costs are to be paid for by the general revenues of the City of Regina;
- Where the benefits of a program or service are directly attributable to specific beneficiaries, the costs are to be paid through user fees or other similar charges; and,
- Where some of the benefits of a program or service are city-wide and some of the benefits are directly attributable to specific beneficiaries, the costs are to be paid for by a combination of general revenues of the City of Regina and user fees or other similar charges.

The OCP also directs the consideration of the establishment of user fees and other similar charges in excess of full cost recovery for the program or service to which the fees apply, except where prohibited by *The Cities Act* or other regulations. Such resources would be considered general revenues for the payment of costs associated with public benefits that are shared city-wide, including the rehabilitation of roadways, sidewalks, and other high priority infrastructure investments.

While fee increases are not popular and are sometimes viewed as another form of taxation, they are necessary to help address the infrastructure funding gap and maintain service levels that are important to residents. As it embarks on implementation of the new OCP, the City will be reviewing the policy rationale

behind its rates and fees, as well as the cost to provide related services, with a view to develop more consistent and comprehensive pricing policies based on the benefits model.

Recreation program fee schedules are regularly reviewed, typically every three years, and approved by City Council to ensure that targeted cost recovery levels are achieved.

Debt Financing

The 2014 General Capital Investment Program proposes new debt related to the Stadium project of \$15.1 million. The actual loan proceeds received in 2014 will be \$100 million. The remaining cash will be used in 2015 to cover the cost of construction. The year end 2014 debt balance related to the Capital Investment Program is projected at \$184.4 million. This debt balance also includes borrowings for the water and sewer utility.

While the issuance of debt can provide for increased capital funding, the debt along with the related interest cost must be paid in future years out of operating funds. The use of debt is a trade-off between increased fiscal flexibility in the short term versus reduced fiscal flexibility over the term of the repayment of the debt.

The City is faced with difficult choices. While interest costs will add to the overall bill, the rapid increases in construction costs over the past few years indicate that in some circumstances, debt financing could lower the overall costs.

The debt requirements for the capital construction portion of the Stadium Project are estimated at \$167.4 million.

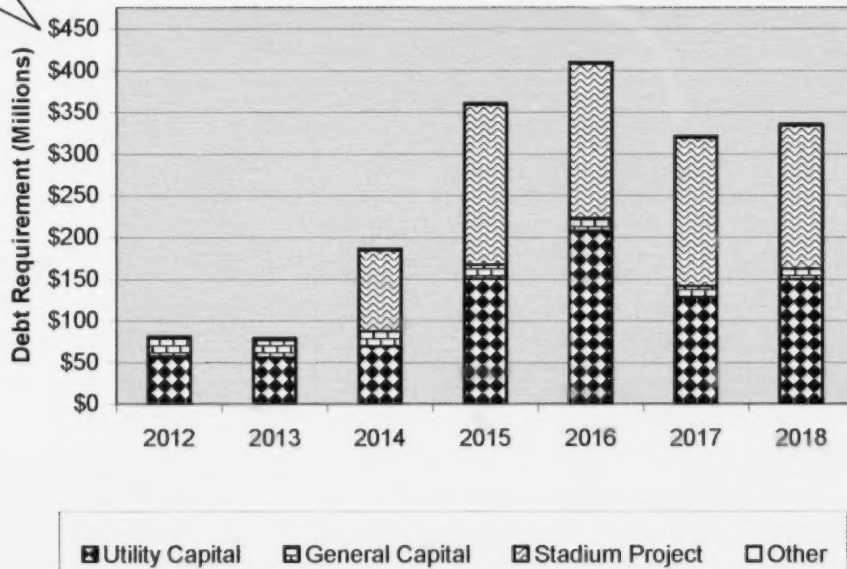
On January 28, 2013 City Council approved the funding model for the Stadium Project. This model assumes that both a loan from the Province of Saskatchewan and a debenture issued by the City of Regina will be required to fund the project. The proceeds of the provincial loan will be received during 2014 while the City would issue a further \$100.4 million in debt during 2015. This debt could be issued earlier should it be advantageous to do so. In addition to the new debt that is contemplated, the funding model shows that the City will also receive several new revenue streams, including facility fees and lease revenues, which will increase the City's total revenue available to repay any debt obligations.

The SMB has approved a debt limit of \$450 million for the City of Regina. The SMB approves debt limits on the basis of several factors related to the municipality's financial strength. An amount equal to one times operating revenues is a general rule of thumb, although other factors are considered. The City of Regina's annual consolidated operating revenues for the last audited year (2012) are \$528 million, which is significantly higher than the current debt limit, based on a one times operating revenues calculation.

The chart on the following page represents the General Capital Investment Program's potential demand for debt for the years 2014 to 2018

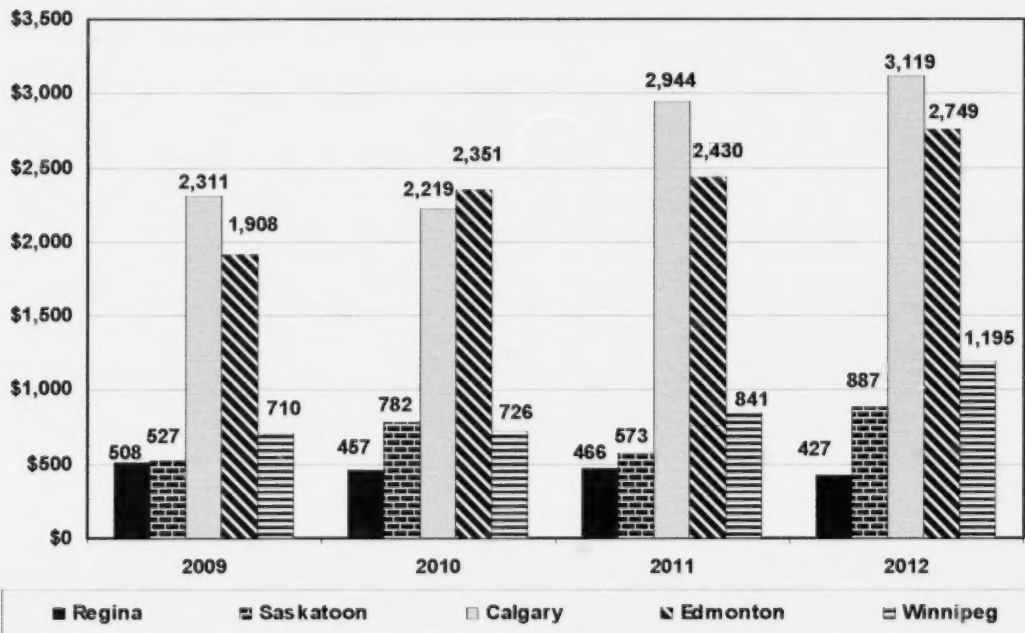
Current Debt
Limit \$450M

Projected Debt



Historically Regina has remained very conservative in its use of debt. The following chart shows the per capita debt comparisons to other Cities for the years 2008 to 2012.

Per Capita Debt Comparison to other Cities



Asset Management Techniques

The OCP directs the establishment of an asset management framework and program (*Design Regina* policy 1.3.1) and the development of an asset management strategy to: guide City planning and operations; establish a service framework and levels of service for existing and new assets; and, focus resources for managing and investing in infrastructure. (*Design Regina* policy 6.3.1) Building the foundation for achievement of the *Design Regina* Community Priorities and increasing the City's financial sustainability will include significant work to strengthen the City's management of assets and decision making based on improved data and the principles of good asset management.

The City established a Corporate Asset Management Steering Committee in 2008 to begin to develop a strategic asset management policy for the organization to assist in ensuring our infrastructure is maintained, rehabilitated, and replaced in order that citizens receive acceptable levels of service from all of the programs. The Committee adopted a standardized asset management methodology that will be used corporately to manage the City's infrastructure to ensure long-term sustainability. These techniques and approaches are not new to the City, but there has been significant advancement in research available across North America that is being applied in Regina. In addition, local research through the Communities of Tomorrow and joint projects with the City of Saskatoon are providing benefits.

In 2013, the City released a report entitled *State of the Roadways Infrastructure* which represented an improvement in the data and analysis available on the current state of roadways, sidewalks, and bridges, and provided options to begin to invest in the backlog of rehabilitation and replacement the network requires. Over the next several years the City will be investing in similar exercises in data collection and analysis in other asset categories to support improved decision making and ultimately a lower life-cycle cost for major assets.

The City of Regina is also at various stages of completion on the following - Recreation Facility Master Plan, Core Neighbourhood Sustainability Plan, Downtown Plan, Transit Investment Plan, Official Community Plan (OCP), and Solid Waste Management Plan to assist in the preparation of long-term management of these assets through identification of community needs and trends. The City continues to identify and apply best practices in pavement, sidewalk, water, and sewer infrastructure maintenance. Significant success has also been achieved through the application of a life cycle management approach to optimizing fleet costs, reducing the City's fleet by about 20% in recent years.

Historically, municipalities were not required to account for assets with the same rigour as in other industries. However, the Public Sector Accounting Board has issued recommendations to account for municipal assets or tangible capital assets. The City of Regina implemented these recommendations beginning with the 2009 Annual Financial Statements. This increased requirement for accounting for the City's assets will also aid in improving our management information available to ensure infrastructure investments are directed in a manner to ensure longevity and sustainability of our assets while providing the maximum benefit to citizens.

Official Community Plan & Regional Context

Regina's City Council approved the new Official Community Plan (OCP), *Design Regina*, in December of 2013. An OCP is the keystone of the municipality's long term strategic direction, and is essential to managing future growth and development. *Design Regina* provides a comprehensive policy framework to where and when new development will happen, how municipal services will accommodate this growth, and other factors affecting Regina citizen's quality of life, such as housing, transportation, parks, recreation, and arts, culture and heritage. The goals and policies in the plan aim to create a sustainable city where social, environmental, and economic concerns are addressed alongside the need to create a place where people want to live, work and play.

The OCP will manage growth to a population of 300,000 while setting the stage for longer-term development. To be sustainable, this means looking ahead to responsibly plan for and protect land for growth to a population of 500,000 and planning for an appropriate balance of employment and residential growth. This will ensure that overall growth can be paid for to foster municipal financial sustainability.

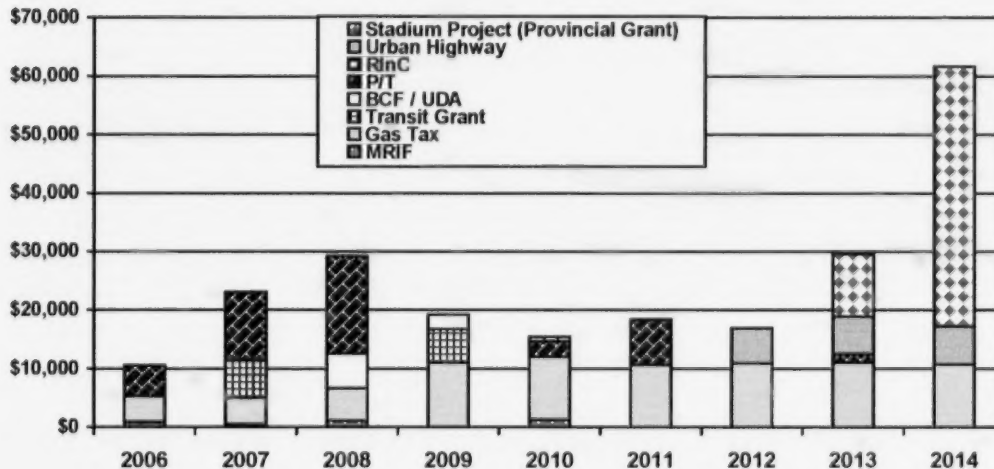
The growth of Saskatchewan's economy requires this fresh approach to planning, and the City has been working with neighbouring municipalities through the White Butte Planning Committee and the Moose Jaw - Regina Industrial Corridor Stakeholder Committee to support and promote growth. Sound, collaborative regional planning will ensure the orderly and sustainable development of the region and protect Regina taxpayers from bearing the costs of services delivered to residents of the region. In the case of the RM of Sherwood, the two parties have agreed to a joint planning area and signed a Memorandum of Understanding to guide further collaboration. (*Design Regina*, Goal 3)

Capital Grant Programs

The information provided above indicates that the City is using all available approaches to manage its infrastructure requirements, but municipal taxpayers cannot do it alone. After the severe reductions in funding experienced during the 1990's and earlier this decade, the Federal Government and Provincial Governments across Canada began to recognize the importance of infrastructure funding.

"Canada's quality of life and economic competitiveness depend in part on having reliable, efficient infrastructure that is provided in large part by municipal, provincial, territorial and federal governments." – Restoring Fiscal Balance in Canada – Focusing on Priorities – Federal Budget 2006.

Federal and Provincial Capital Grants (000\$)



Gas Tax

The Federal Government has implemented a program to share a portion of the Federal Gas Tax with municipalities. The share for Regina has grown from \$3.3 million in 2005 to \$10.9 million in 2014. The grant is based on 1.5 cents per litre in 2005, increasing to 5 cents a litre in 2010. During 2007, the Federal Government announced an extension of the program through the 2010-11 to 2013-14 Federal fiscal years. The Gas Tax program is administered by the Province of Saskatchewan and the City of Regina has signed an agreement with the Province to the end of the 2013-14 Federal/Provincial fiscal year. The Federal Government on its Infrastructure Canada website has stated, "The Government of Canada will deliver

[Gas Tax Fund payments] beyond 2014 to provide greater certainty for local infrastructure renewal. Municipalities across the country will continue to receive stable, annual funding for their long-term infrastructure priorities."

The 2014-18 General Capital Budget and Investment Program assumes that the Gas Tax allocation received by the City for the years 2014 to 2018 will continue to be approximately \$10.9 million. This is an estimate only and is subject to change.

Urban Highway Connector Program

Through the Urban Highway Connector Program ("UHCP") the City has assumed responsibility for several roads within city limits that were previously managed by the Province of Saskatchewan. In 2014 the City will begin work on the Victoria Avenue East Pilot Butte Creek Bridges under a UHCP agreement and three-year funding arrangement with the Province. This agreement will see a maximum of \$6.5M delivered to the City to support this project.

Provincial Grant – Stadium Project

As a funding partner, based on agreement between the Province and the City, the Province has agreed to provide the City with an \$80 million provincial grant. As outlined in the Stadium Project Financial Plan submitted to City Council on January 28, 2013, the terms and conditions of this grant are based on funding to be received over four years with \$5 million in the 2012/13 fiscal year, \$25 million on or before June 30, 2014, \$25 million in the 2014/15 fiscal year and the final \$25 million in the 2015/16 fiscal year.

General Capital
Investment Expenditures

General Capital Investment Program Expenditures

Capital Summary (\$000's)	2014	2015	2016	2017	2018	Five Year Total
City Operations						
Street Infrastructure Renewal	19,705	19,705	19,705	19,705	19,705	98,523
Bridge Infrastructure Renewal	5,500	8,060	8,121	3,184	3,247	28,112
Traffic Control & Safety	2,683	2,465	2,835	6,201	2,822	17,005
Other Transportation Projects CO	375	50	40	-	100	565
Landfill	10,550	3,600	8,600	6,600	3,500	32,850
Waste Collection	60	560	560	560	500	2,240
Streetscape	101	209	209	167	125	811
Cemeteries	90	100	115	100	100	505
Golf Courses	275	225	225	375	375	1,475
Fire & Protective Services	2,781	440	300	50	50	3,621
Other Capital Projects CO	150	425	525	575	625	2,300
Transit	-	300	-	-	-	300
Division Total	42,270	36,139	41,235	37,516	31,149	188,308
Community Planning & Development						
Land Development	22,000	500	500	-	-	23,000
Roadway Network Improvements	6,555	10,810	6,225	20,350	10,525	54,465
Other Transportation Projects PD	-	75	-	-	-	75
Recreation Facilities	1,800	3,725	3,700	1,585	800	11,610
Open Space Restoration	600	703	771	823	1,082	3,978
Open Space Upgrades & New Development	1,150	1,070	1,019	1,355	6,120	10,714
Division Total	32,105	16,883	12,215	24,113	18,527	103,842
Corporate Services						
Fleet	16,340	10,476	10,097	6,653	10,612	54,178
Facilities	5,850	18,270	18,596	11,859	9,542	64,117
Information Technology	2,280	2,660	3,750	2,050	2,400	13,140
Division Total	24,470	31,406	32,443	20,562	22,555	131,436
Office of City Manager						
Regina Revitalization Initiative	59,429	164,465	25,359	12,500	-	261,753
Civic Capital Total	158,274	248,892	111,251	94,691	72,230	685,339
Regina Police Service	3,885	4,044	2,990	5,542	1,477	17,937
Total General Capital Expenditure	162,159	252,936	114,241	100,233	73,707	703,276

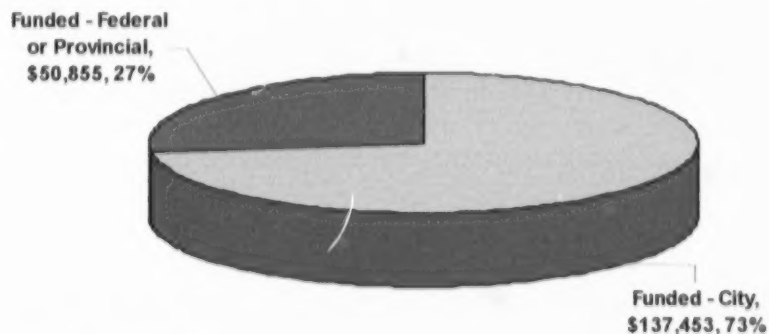
Capital investments for the years 2014 – 2018 are identified in the table above.

City Operations Division

Capital Program Summary

Capital Summary (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Street Infrastructure Renewal	19,705	19,705	19,705	19,705	19,705	98,523
Bridge Infrastructure Renewal	5,500	8,060	8,121	3,184	3,247	28,112
Traffic Control & Safety	2,683	2,465	2,835	6,201	2,822	17,005
Other Transportation Projects CO	375	50	40	-	100	565
Landfill	10,550	3,600	8,600	6,600	3,500	32,850
Waste Collection	60	560	560	560	500	2,240
Streetscape	101	209	209	167	125	811
Cemeteries	90	100	115	100	100	505
Golf Courses	275	225	225	375	375	1,475
Fire & Protective Services	2,781	440	300	50	50	3,621
Other Capital Projects CO	150	425	525	575	625	2,300
Transit	-	300	-	-	-	300
Total Expenditures	42,270	36,139	41,235	37,516	31,149	188,308
Funding Sources (\$000's)						
Asphalt Plant Reserve	150	150	150	150	150	750
Cemetery Reserve	90	100	115	100	100	505
Current Contributions	20,106	15,842	13,610	12,636	13,530	75,524
Gas Tax (GT)	7,115	10,900	10,900	10,900	10,900	50,715
Golf Course Reserve	275	225	225	375	375	1,475
Solid Waste Reserve	13,110	8,448	15,253	12,373	5,330	54,514
Other External	50	-	-	-	90	140
Service Agreement Fees (Parks)	96	119	119	119	119	571
Service Agreement Fees (Roads)	1,278	555	863	863	555	4,114
Total	42,270	36,139	41,235	37,516	31,149	188,308

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources.



Street Infrastructure Renewal

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Total
Street Infrastructure Renewal	18,000	18,000	18,000	18,000	18,000	90,000
Local Roads Improvement Program	1,705	1,705	1,705	1,705	1,705	8,525
Total Expenditures	19,705	19,705	19,705	19,705	19,705	98,525
Funding Sources (\$000's)						
Current Contributions	12,590	7,577	5,833	6,776	10,998	43,774
Gas Tax (GT)	5,615	9,218	9,157	9,094	8,707	41,791
Solid Waste Reserve	1,500	2,910	4,715	3,835	-	12,960
Total	19,705	19,705	19,705	19,705	19,705	98,525

It should be noted that the capital expenditures proposed for street infrastructure renewal do not reflect the full investment required to maintain the roadway infrastructure at an optimal sustainable condition level or age.

The current road investment strategy can be summarized as focusing expenditures on the 20 percent of the road network that is subjected to 80 percent of the traffic volume, i.e. Arterial and collector network. Only 20 percent of available funding is used for improving the residential network. Of growing concern is the deterioration of the large residential network.

Using a preliminary calculation, the estimated 'overdue work' (work that should have been completed to maintain the road condition according to general renewal practices) is \$261 million. In order to prevent growth in the amount of overdue work, an investment of \$30 million would be required annually. To eliminate the current overdue work, an additional \$13 million per year over the next 20 years would be required. Please note that growth and inflation is not factored into the calculations above.

Current Year Programs

Street Infrastructure Renewal

This program funds planning, design, project co-ordination, and contract administration for all street infrastructure renewal projects. Activities include project coordinator's salary & benefits, skill development and other training costs, engagement of consultants and contractors to provide engineering design, project management and construction services, co-ordination of street infrastructure projects with construction activities managed by other divisions or departments, collection of data on the physical condition of roads, enhancement of technology and supporting tools for strategic planning and program development.

A portion of funding could be available from the Gas Tax fund, Provincial Territorial fund and from Saskatchewan MHI for the Urban Highway Connector Program. The City remains vigilant in maintaining these programs and applies for funding as it becomes available.

The program strengthens the street infrastructure assets, which supports public safety, economic development, commerce and industry, and the environment in our community.

Local Roads Improvement Program

Only 45% of the residential network is in a fair or good condition and its condition has deteriorated significantly during the last 20 years. Beginning in 2014 an amount equivalent to a 1% mill rate increase has been dedicated to the repair and rehabilitation of local roads.

In order to achieve a sustainable condition of the roadways network with a manageable mix of roads in different conditions, a certain level of renewal must occur every year.

The City provides a wide range of diverse services for roadways infrastructure through reconstruction, rehabilitation and thin lift overlay.

As the City grows and the roadway network grows with it, this investment would have to increase to ensure a sustainable system. The state of the road network is a demonstration of the gap between our current and expected service levels and our ability to deliver them.

Our current annual investment in local roads will result in a reduction in the continued deterioration of the roadway infrastructure.

General Program

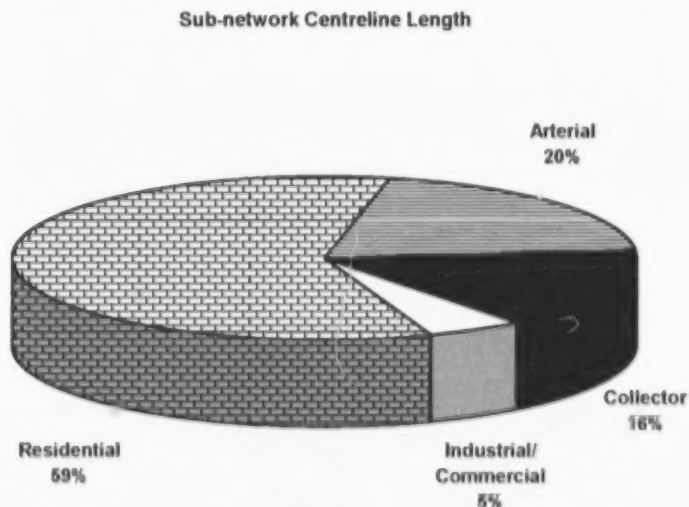
The road network infrastructure includes:

- 926 kilometres of paved roads,
- 33 kilometres of gravel roadways; and
- 1,289 kilometres of sidewalks.

The road network that serves the City of Regina is classified into four functional road categories or sub-networks:

- Arterial (major and minor arterials, expressways, highways, ramps and loops),
- Collector (major and minor collectors),
- Industrial/Commercial (major and minor industrial / commercial locals), and
- Residential (residential locals).

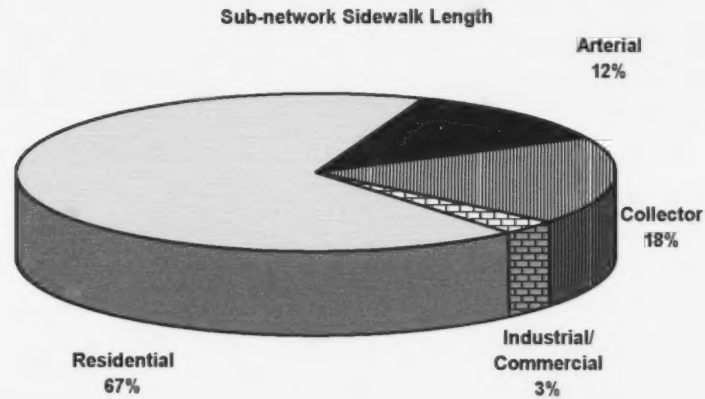
The functional classification of the road inventory in percentage of centreline length is shown in the following chart.



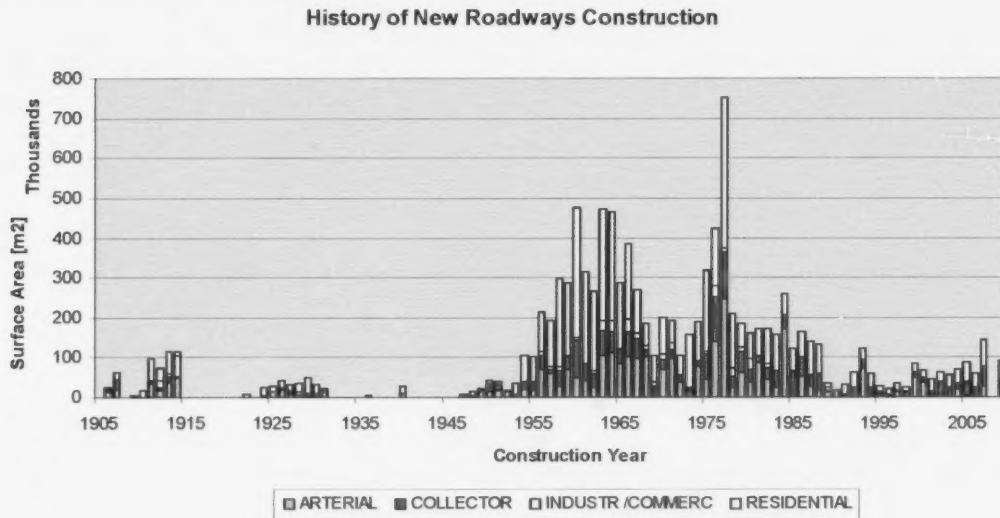
The sidewalks are part of road network infrastructure and they are classified in a similar way as the roads, e.g. the collector network includes sidewalks adjacent to roads that are classified as both major and minor collectors. In addition sidewalks are also classified as:

- Group A (high volume pedestrian traffic), and
- Group B (low volume pedestrian traffic).

The functional classification of the sidewalks inventory as a percentage of sidewalk length is shown in the following chart.

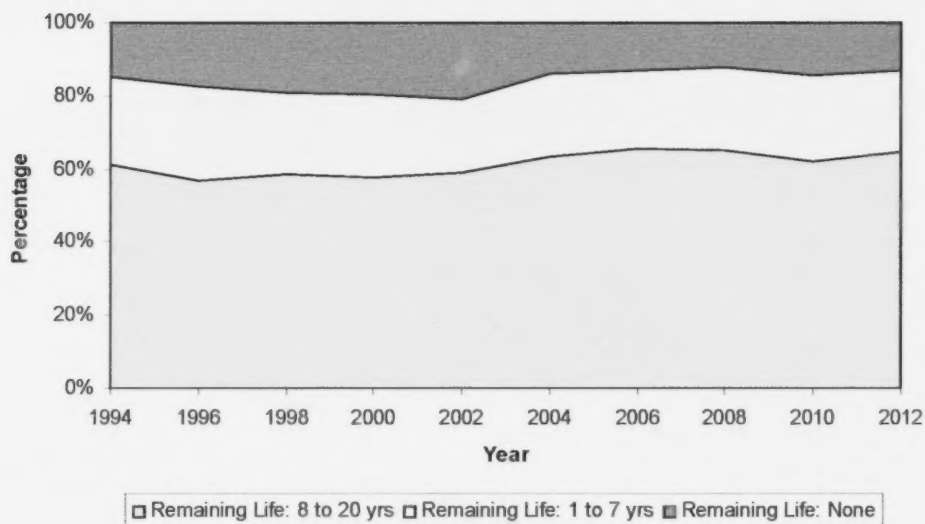


Much of Regina's road network, as shown in the graph below, was constructed between 1945 and 1985, with peaks between 1960 to 1965, and around 1977. The road network development occurred in conjunction with the development of residential neighbourhoods.



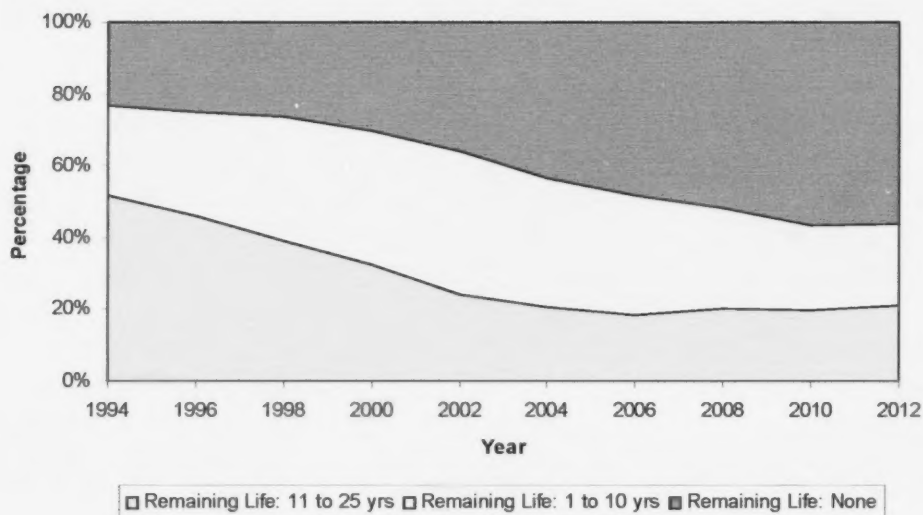
Using age as an indicator for the health of the road network, approximately 85% of the asphalt surface of the arterial, collector, and industrial sub-network is currently in a fair or good condition, while 15% of the asphalt surface is beyond its assumed useful life of 20 years, as shown in the following chart.

Surface Age - Arterials, Collectors, Industrial



Using age as an indicator, approximately 45% of the asphalt surface of the residential network is currently in a fair or good condition, while 55% of the asphalt surface is beyond its assumed useful life of 25 years, as shown in the chart below.

Surface Age - Residential



Roads structures (i.e. base underlying the asphalt surface) are generally designed with an expected life-cycle of 45 to 60 years. In order for road structures to survive their full life expectancy, road preservation activities must be applied appropriately every 10 to 15 years until reconstruction is required at the end-of-life.

Typically under the Street Infrastructure Renewal program, the following roadway treatment solutions are used to extend the road structure life:

- **Reconstruction.** The existing base structure and asphalt layer is removed and replaced with new material or the existing material is re-cycled in place and covered with a layer of new asphalt. The reconstruction is often combined with replacement of walk, curb and gutter. This is done under the Local Improvement Program (LIP), where property owners pay a portion of the sidewalk, curb and gutter replacement cost.
- **Rehabilitation (Asphalt Recap).** A portion of the existing asphalt layer is removed by milling and replaced with new asphalt. This treatment is applied when the road shows severe distresses, such as cracks, potholes, depressions, etc. However, the base structure (support layer) under the asphalt is still in good shape. Concerns related to sidewalks are addressed as well.
- **Thin Lift Overlay.** This is paving of the road with a thin layer of asphalt on top of the existing pavement. This is applied where the road shows signs of wear, however is generally still in a good condition. Good drainage is a key factor, i.e. curb, gutter and sidewalks must be in a good condition.

Over the past 20 years, the average amount of road reconstruction has been approximately 1.7 km. The amount of road rehabilitation (reconstruction and resurfacing) that has been accomplished since 1994 is shown in the following table.

Road Rehabilitation (Kilometres)

Year	Street Reconstruction			Street Resurfacing	Total Rehabilitation
	Collectors & Arterials	Local Streets	Total	Collectors & Arterials & Locals	
1994	0.3	1.6	1.9	26.8	28.7
1995	0.8	1.5	2.3	8.5	10.8
1996	0.3	0.8	1.1	10.0	11.1
1997	2.7	1.3	4.0	12.2	16.2
1998	0.8	0.2	1.0	9.4	10.4
1999	1.9	1.3	3.2	16.6	19.8
2000	2.0	1.8	3.8	13.0	16.8
2001	1.2	1.4	2.6	17.0	19.6
2002	0.9	0.8	1.7	15.9	17.6
2003	0.7	0.0	0.7	20.3	21.0
2004	0.5	0.0	0.5	19.3	19.8
2005	0.4	0.0	0.4	24.1	24.5
2006	2.2	0.3	2.5	23.7	26.2
2007	0.0	2.4	2.4	25.9	28.3
2008	0.5	0.2	0.7	34.5	35.2
2009	0.3	0.3	0.6	26.6	27.2
2010	0.0	0.8	0.8	27.5	28.3
2011	0.7	1.1	1.8	21.8	23.6
2012	0.5	0.8	1.2	19.8	21.0
2013	0.1	1.4	1.5	25.3	26.8
Annual Average			1.7	19.9	21.6

To maintain the road network life cycle we will ideally require an estimated investment of \$40 million annually over a 20 year period to bring the road network to a realistic lifespan and eliminate current backlog. We realize that we cannot achieve this level of activity immediately, even if the funds were available (due to lack of capacity of personnel, consultants, materials, equipment, etc.)

Currently the Street Infrastructure Renewal program continues to focus on rehabilitation of major roadways in order to provide the most benefit to all motorists and commerce, as 80% of the traffic is carried on 20%

of the total road network. Therefore, funding for street infrastructure renewal is prioritized in the following order:

- expressways and arterial roadways,
- collector roadways and bus routes,
- major local roadways-commercial, industrial, institutional, and
- local roadways.

Over the past three years, 75% of the Street Infrastructure Renewal Program budget has been allocated to arterial and collector roads, 25% to residential roads and 0% to industrial roads.

In the last 20 years, arterial roads have shown gradual improvement, and the residential local roads have shown a more rapid decline. Overall the average condition of the arterial and collector road sub-networks is relatively good, while the condition of the residential sub-network is significantly poorer.

Bridge Infrastructure Renewal

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Bridge Infrastructure Renewal	3,000	3,060	3,121	3,184	3,247	15,612
Winnipeg Street Bridge	2,500	5,000	5,000	-	-	12,500
Total Expenditures	5,500	8,060	8,121	3,184	3,247	28,112
Funding Sources (\$000's)						
Current Contributions	3,000	5,000	5,000	-	-	13,000
Solid Waste Reserve	2,500	3,060	3,121	3,184	3,247	15,112
Total	5,500	8,060	8,121	3,184	3,247	28,112

It should be noted that the capital expenditures proposed for bridge infrastructure renewal do not reflect the full investment required to maintain the bridge infrastructure at an optimal sustainable condition level or age.

For Bridge Infrastructure Renewal, the current estimated investment need is \$93 million over 25 years, for an average of \$3.48 million per year over the 25 year term. The average level of investment over the past 5 years was \$4.48 million per year and has been steadily declining over the past few years. This current investment level is insufficient based on the estimated short term funding needs (1-5 years) of \$6.9 million per year.

The average bridge investment needs over the medium term (5-10 years) and long term (15-25 years) will be reduced as effects of increased preventative maintenance in the short and medium terms are realized. These are currently estimated at \$4.67 million per year and \$2.35 million per year respectively.

Current Year Programs

Bridge Infrastructure Renewal

The Bridge Infrastructure Renewal program funds all activities related to maintaining the City's bridge infrastructure. These activities include bridge maintenance, various engineering studies, bridge designs, bridge construction projects, project management, and administration.

There are fifty-two bridges in the City's transportation network, which includes eight rail overpasses. Bridge structures are typically designed with an expected design life of 70-80 years. In order to reach to their full life-expectancy, a combination of repairs and rehabilitation activities must be appropriately scheduled until replacement is required at the end-of-life of the structure. A bridge structure typically needs a major rehabilitation every 20-25 years in its life cycle. Typical repairs in a major rehabilitation include; full or partial replacement of concrete deck, replacement of waterproofing membrane, replacement of asphalt riding surface, replacement of expansion joints and miscellaneous repairs to deteriorated concrete in girders, barriers, and abutments. Depending on size and complexity of the bridge, a typical major

rehabilitation costs approximately between \$2.0-3.0 Million.

An effective Bridge Maintenance Plan (BMP) takes a proactive approach to maintenance by increasing the level of preservation and maintenance activity such that the level of service is improving rather than declining, or remaining at status-quo. Based on current structural conditions, the City's BMP identified that 15 bridges need major rehabilitation by 2019 to maintain a safe network. For the City's BMP to achieve this, it must complete an average of two-three major rehabilitations per year. This equates to an average annual investment between \$5.0-7.5 Million (2013 dollars). The capacity to complete the required activity must be built-up over time and account for past backlog of unfunded rehabilitation projects.

In 2014, the Bridge Infrastructure Renewal Program plans to conduct a major rehabilitation at Ross Avenue over Ring Road.

In addition to its roadway bridges, the City of Regina has an inventory of thirty one pedestrian bridges. A structural condition assessment of 31 pedestrian bridges was completed in 2011, which identified 3 bridges that are in poor condition. The current replacement value of these three pedestrian structures is approximately \$750,000.

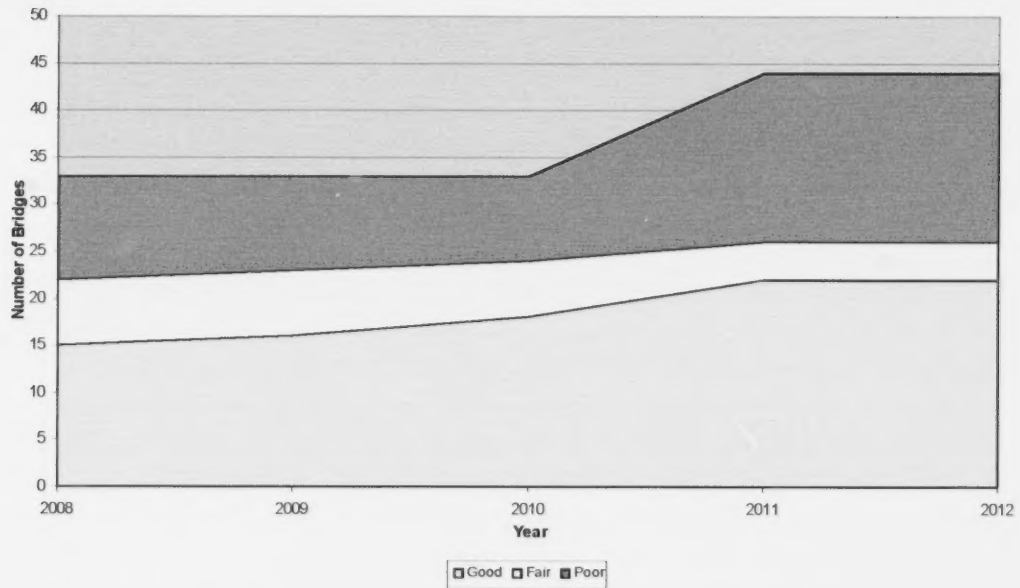
The Bridge Infrastructure Renewal Program strengthens the bridge infrastructure, which supports public safety, economic development, commerce and industry in our community, and the environment. Growth of the community and economic success is greatly influenced by bridge conditions and public perception. A healthy transportation infrastructure supports commercial and industrial activity.

Winnipeg Street Bridge

This project is for replacement of the Winnipeg Street Bridge over the Ring Road. In 2010, engineering reports indicated that this structure needed rehabilitation in order to optimize its remaining service life. Built in 1975, the Winnipeg Street Bridge has already undergone major rehabilitations in 1989 and again in 2003. Given the current poor condition of the current bridge and extent of repairs required, further rehabilitation efforts are not recommended.

This project is in conjunction with the roadway realignment of the Winnipeg Street. Currently, the existing bridge does not align with Winnipeg Street to the north. This misalignment reduces traffic flow and limits the City's ability to make improvements to the transportation network in the area. Additionally, rebuilding the bridge in its current location is not recommended due to the considerable traffic restrictions it would cause during the course of construction.

Condition Rating Roadways Bridges, incl. UHCP



Traffic Control and Safety

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Traffic Improvements:						
Pedestrian Protection Program	132	-	-	-	-	132
Saskatchewan Drive at Albert Street Intersection	-	-	725	4,060	-	4,785
Traffic Capacity Improvements - Lewvan Dr & Regina Ave	450	-	-	-	-	450
Traffic Capacity Improvements - Prince of Wales Dr & Victoria Ave	400	-	-	-	-	400
Quance Street Safety Improvements	-	100	-	-	-	100
Trans-Canada Highway 1 Bypass Expressway	-	-	-	-	450	450
Traffic Safety Infrastructure	221	-	-	-	-	221
Traffic Signals:						
New/Enhanced Traffic Signals	780	780	780	780	780	3,900
Traffic Signal Detection Replacement Program	100	-	-	-	-	100
Traffic Signal Rehabilitation	600	-	-	-	-	600
Addition of Bucket Truck	-	215	-	-	-	215
Addition of Crane Truck	-	250	-	-	-	250
Addition of Two General Service Trucks	-	120	-	-	-	120
Traffic Infrastructure Renewal	-	1,000	1,330	1,361	1,592	5,282
Total Expenditures	2,683	2,465	2,835	6,201	2,822	17,005
Funding Sources						
Current Contributions	1,406	1,910	1,972	5,337	1,901	12,526
Gas Tax (GT)	-	-	-	-	276	276
Other External	-	-	-	-	90	90
Service Agreement Fees (Roads)	1,278	555	863	863	555	4,114
Total	2,683	2,465	2,835	6,201	2,822	17,005

There is significant infrastructure in place to provide for the safe and effective use of the transportation system. This infrastructure is intended to address the needs of traffic and pedestrian users of the system.

Current Year Programs

Pedestrian Protection Program

This is an annual program to improve pedestrian accommodations and safety for the public throughout the City. Improvements include the installation and rehabilitation of pedestrian corridors (flashing red lights), pedestrian half signals, pedestrian crosswalk signs, no parking signs near schools, and the installation of pedestrian fencing adjacent to high speed roadways. Funding typically provides for the installation of one pedestrian corridor and three pedestrian crosswalks and the rehabilitation of two pedestrian corridors. In 2013, funding was used to install pedestrian crosswalks, signs, and no parking signs near schools. Locations for installation of new pedestrian corridors were selected and construction will begin in 2014. Labour, equipment, software, and consulting/contracted services to complete this work are within the scope of the program.

Traffic Capacity Improvements - Lewvan Dr & Regina Ave

Traffic studies revealed that during peak travel periods there is significant vehicle queuing and delays at this intersection especially for left turning traffic due to the increased traffic on Lewvan Drive. The scope of this project includes the installation of dual left turn lanes and increasing the left turn storage length for northbound and southbound traffic. The project will also provide for separate left turn lanes for east-west traffic by modifying the lane geometry.

Traffic Capacity Improvements - Prince of Wales Dr & Victoria Ave

Traffic studies revealed that during the daily and weekend peak periods there is significant vehicle queuing and delays for northbound traffic on Prince of Wales Drive at Victoria Avenue as a result of high

volume of northbound left turning vehicles. The scope of this project includes the installation of an additional northbound left turn lane to provide dual left turn lanes and associated traffic signal control changes. This will increase the capacity for the high turning volume of northbound left turn vehicles, resulting in shorter queues and less delays.

Traffic Safety Infrastructure

This is an annual program consisting of multiple traffic safety projects aimed at improving the safety and/or efficiency of on street vehicle movements or support parking control infrastructure programs. Safety improvements include additional turning lanes, channelization, traffic calming, new or improved signing or durable pavement markings. Intersection safety is also considered and intersections are analyzed for improvements, based on potential for collisions, traffic volumes, measured delay, public concerns and field observations. Labour, equipment, project management and consulting/contracted services to complete this work are within the scope of the program.

New/Enhanced Traffic Signals

Based on new development and growth, changes in traffic flow, increasing traffic congestion, pedestrian accessibility needs and public transit schedule adherence considerations, new or enhanced traffic signals are required. Projects included within this program are: traffic signal design and installation, new/additional/enhanced vehicle detection device installation, signal timing/phasing changes (including the addition of left turn signal displays), and accessible pedestrian signals installation and evaluation. Labour (including design and evaluation time), materials, supplies, equipment, analysis tools, software, and consulting/contracted services to complete this work are within the scope of the program.

In 2014 projected growth in the City and changes in traffic flow due to new developments requires the installation of up to five new traffic signals. Other planned enhancements and upgrades for 2014 could include Accessible Pedestrian Signals installation at five locations, new left-turn arrow installations at seven locations, additional vehicle detection devices and other miscellaneous upgrades. Location selection is annual based on traffic signal warrant analysis (calculated from traffic volume data collected by the City's traffic counting program), delay studies, safety evaluations and growth projections. This budget request for 2014 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual additional infrastructure related to growth. Typically the branch has been focussing on accommodating new developments which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

Traffic Signal Detection Replacement Program

Most of Regina's traffic signals require extensive vehicle detection systems to provide sufficient data to the traffic signal controller for effective traffic signal operation. The existing microwave detection units used extensively in the City are beyond their design life and are failing, which is resulting in an inefficient traffic signal operation. The inefficient traffic signal operation causes vehicular delay and increased driver frustration. This program replaces failed or failing microwave vehicle detection units with the latest video image detection technology to achieve proper traffic signal operation and assure reliability. The recommended rehabilitation program is to replace the microwave detection units over a 10 year period (approximately six intersections per year). An annual budget of \$100,000 is required. Labour, equipment, software, and engineering services to complete this work are within the scope of the program.

Traffic Signal Rehabilitation

This is an ongoing annual program performing end of life asset replacement, targeting rehabilitation of 4% of the City's signalized intersections per year. The program includes the replacement of traffic signal poles, ducts, wiring, controls, lights, detection equipment, audible pedestrian indications, software, other ancillary supplies and components based on the expected life spans of the individual component types. Electronic equipment has a shorter end of life and replacements occur based on a ten year end cycle after considering the current condition and functionality. Labour, materials, supplies, equipment, analysis tools, software, and consulting/contracted services to complete this work are within the scope of the program. Program locations are selected yearly based on the condition of the signals (and their components) and

coordination with major roadway projects. At the end of 2011, approximately 33% of the City's traffic signals were over 25 years old and 14% were between 15 and 24 years old. This budget request for 2014 includes 25% of a full time position to support this program and other traffic signal and lighting related programs due to continual addition of infrastructure related to growth. Typically the branch has been focussing on accommodating new developments, which has impacted the City's ability to attend to existing infrastructure rehabilitation and maintenance concerns. This portion of a full time equivalent position will assist in ensuring adequate staff are available to attend to increasing infrastructure needs.

Future Years Planned Programs

Saskatchewan Drive at Albert Street Intersection Improvements

This project provides upgrades to Saskatchewan Drive and Albert Street to increase the safety and capacity of the intersection. Anticipated work includes reconfiguration of the intersection geometry, upgrades to the traffic signals and installation of new pavement & sidewalks. All labour, materials, project management, services, equipment, and consulting/contracted services as required for this project are within the project scope. Possible funding partnerships will be considered.

Quance Street Safety Improvements

Quance Street was originally designed to function as a commercial collector to allow traffic to move with relative ease from Truesdale Drive to Prince of Wales Drive, and still have access to the surrounding businesses. The route includes a number of large retail stores such as Walmart, Old Navy and Sears, as well as the Victoria Square Shopping Centre, which all generate significant turning traffic volumes. Over the last few years, concerns have been expressed over the lack of pedestrian accommodation and associated safety concerns. In order to address these concerns, the Traffic Control and Parking branch hired a consultant to assess the overall elements that make up the Quance Street corridor from Truesdale Drive to Prince of Wales Drive in 2011. The study reviewed traffic flow conditions, levels of service, crash history and pedestrian safety along the study segment and provided short and long term solutions to enhance safety on this busy segment of Quance Street. Funding is requested to implement short term improvements including but not limited to pedestrian corridors, two-way left turn lanes, improvements to lane markings and signs.

Trans-Canada Highway 1 Bypass Expressway Lighting

This project will install Expressway Lighting on the section of Trans-Canada Highway #1 Bypass road, between Assiniboine Avenue and a point 830-metres east of Albert Street that currently does not have any expressway lighting. The primary objective of roadway lighting is to enhance vehicle safety by providing drivers with improved night time visibility of roadway conditions and potential hazards as well as to adequately illuminate the highway. Currently, this is the only section of the Highway 1 corridor within City limits which does not have any lighting. This new lighting provides expressway lighting uniformity along the Trans-Canada Highway #1 Bypass corridor and will enhance the safe and efficient operation of Highway 1 Bypass during dusk, dawn and night time periods. After the installation occurs, the lighting along Trans-Canada Highway #1 Bypass will meet the City's current minimum illumination standard (based on national guidelines available from the Transportation Association of Canada as well as the Illumination Engineering Society RP-8 standard). All labour, materials, supplies, equipment, and consulting/contracted services to complete this work are within the scope of this project.

Addition of Bucket Truck

This project acquires a bucket truck (aerial lift) for the Traffic Signals & Lighting Branch. As capital infrastructure work, maintenance work and rehabilitation projects increase due to continued growth and development within the City and due to aging infrastructure, it has become necessary to add an additional aerial lift vehicle to support the multiple programs requiring the use of a resource of this type.

Addition of Crane Truck

This project acquires a crane truck for the Traffic Signals & Lighting Branch. As capital infrastructure work, maintenance work and rehabilitation projects increase due to continued growth and development within the City, it has become necessary to add an additional vehicle capable of lifting large and heavy loads. This will enable two separate crews to work on projects both requiring the use of a resource of this type.

This additional vehicle ensures that when the current crane truck is out of service, projects are not delayed or omitted due to a lack of resources.

Addition of Two General Service Trucks

This project acquires two general service trucks for the Traffic Signals & Lighting Branch. As capital infrastructure and maintenance work increase due to continued growth and development in the City, we are utilizing smaller work crews dispatched to more locations in order to continue with the current level of service. This requires more vehicles to be available for use. Additionally, as on street safety becomes of greater concern and projects become larger in work zone size these additional vehicles provide traffic safety resources to supplement the work zone set-up through the use of onboard arrow boards.

Traffic Infrastructure Renewal

Traffic Infrastructure renewal will be a program in 2015 that will comprise the following:

- Pedestrian Protection Program,
- Traffic Safety,
- Expressway Lighting,
- Traffic Signal Detection Replacement program, and
- Traffic Signal Rehabilitation.

Other Transportation Projects

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Other Transportation Projects						
Fleet Addition - Slide-In Sander and Tandem Truck Unit	325	-	-	-	-	325
Railway Crossing	50	-	-	-	-	50
Snow Storage Site	-	-	-	-	100	100
Bus Stop Accessibility Upgrades	-	50	-	-	-	50
Forestry Supervisor 1/2 ton	-	-	40	-	-	40
Total Expenditures	375	50	40	-	100	565
Funding Sources (\$000's)						
Current Contributions	325	50	40	-	100	515
Other External	50	-	-	-	-	50
Total	375	50	40	-	100	565

Current Year Programs

Fleet Addition - Slide-In Sander and Tandem Truck Unit

In 2006, the City of Regina adopted a Winter Maintenance Policy that outlines the expected levels of service citizens can expect for safe passage on City roadways and sidewalks throughout the winter season. One of the key components of the Policy is ice control. More specifically, the policy outlines the frequency in which City crews will cycle through Regina roads, based on their priority and category. With the growth of the City since 2006, the road network has steadily grown, from 891 km to 1,025 km, or approximately 15%. In this time, Winter Maintenance has only added 1 additional ice control truck to account for this growth. Furthermore, the City will continue to grow and take responsibility for additional roadways (including new subdivisions and the Ring Road from the Ministry of Highways). Therefore, an addition to our Fleet will greatly enhance our capabilities to meet the current Winter Maintenance Policy.

Railway Crossing

This program is to upgrade the roadway at railroad crossings to safe railway condition. This program is coordinated with Canadian National Railway and Canadian Pacific Railway programs to upgrade the

railroad tracks at the crossings. Two or three crossings are upgraded every year. The activities involved in this program are engineering services, asphalt resurfacing, concrete repairs, and replacing railway seals. Portion of cost will be shared with the Canadian National Railway and Canadian Pacific Railway. If this project is not completed City liability for damages and injuries may increase.

Future Years Planned Programs

Snow Storage Site

This project includes further development of the existing snow storage site to allow the City to charge a levy or snow dumping fee for access to the City's snow storage site. The project costs include the initial land development, basic grading and drainage, engineering consultant fees, building access roads, lighting, and fencing. The development will be undertaken in 2 stages. The first stage will start in 2015, with consulting and designing costs. The 2nd phase will start in 2016, with site grading, access roads development, lighting and the installation of a chain link fence around the facility.

Bus Stop Accessibility Upgrades

This will be a trial project to upgrade up to 10 bus stops to improve accessibility of the stops. This request is supported by Saskatchewan Human Rights systemic advocacy report that details barriers for all residents in using the Transit system. The stops would include a number of improvements including route information, sidewalk improvements, and different tactile surfaces to identify the site as a bus stop for those that may have poor vision or mobility. The trial of up to ten bus stops would be evaluated to see if the changes make improvements for customers using the stops and therefore, improve the Transit system's accessibility. This project would involve three areas of the City. Transit would determine what improvements need to be done, Traffic Control and Parking would be responsible for changing out the poles and installing anything to the bus stop poles and concrete services would be involved if tactile surfaces are needed.

Forestry Supervisor 1/2 ton

The forestry supervisor currently uses a personal vehicle to perform inspections. The amount of travel required for this position is significant. The supply of a City owned ½ ton truck is a more economical choice than the use of a personal vehicle reimbursement to provide vehicle support for this position and to carry out these duties.

Landfill

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Fleet Street Landfill:						
Landfill Cap and Closure	-	2,500	2,500	2,500	2,500	10,000
Landfill Gas Recovery System	-	-	5,000	3,000	-	8,000
New Landfill:						
Landfill Development - Engineering, Design and Construction	10,000	1,000	1,000	1,000	1,000	14,000
Landfill - Litter Fencing and Screening	350	100	100	100	-	650
Landfill - Airspace Efficiency Audit	200	-	-	-	-	200
Total Expenditures	10,550	3,600	8,600	6,600	3,500	32,850
Funding Sources (\$000's)						
Gas Tax (GT)	1,500	1,682	1,743	1,806	1,917	8,648
Solid Waste Reserve	9,050	1,918	6,857	4,794	1,583	24,202
Total	10,550	3,600	8,600	6,600	3,500	32,850

The City's landfill is located in the northeast corner of the city. The landfill has been in operation at the site since 1961. The entire site occupies approximately 124 hectares, with the approved footprint of the landfill disposal area covering approximately 80 hectares. The current height of the landfill is approximately 45 meters above the surrounding landscape.

Current Year Programs

Landfill Development - Engineering, Design and Construction

The Fleet Street Solid Waste Disposal and Recovery Facility (landfill) is a critical component of the City's waste management infrastructure. A three-phase expansion plan, to provide the City with adequate capacity for the next 75 - 80 years, has been approved by the Ministry of Environment. Funding in 2014 will support the completion of the first phase, providing capacity for the next 20 -30 years.

Landfill - Litter Fencing and Screening

Litter control is an ongoing process for a landfill. Litter fences are the most effective and economical means of achieving this goal. We are required by the Ministry of Environment to control the volume of litter blown out of the landfill site. Our active landfilling site is located on the southern slope of the landfill. In 2014, this funding would be used to erect a litter control fence along the southern perimeter of the landfill parallel to Hwy 46. In subsequent years, the funding would be used to replace the existing perimeter fences.

Landfill - Airspace Efficiency Audit

Many advances in managing solid waste disposal systems have been made over the last decade. A process audit and development of best practices will provide us with a benchmark of our current operating processes and procedures as well as "current state" measurements in terms of our assets and capacity. This will increase our efficiency and extend the useful life of our landfill facility.

Future Years Planned Programs

Landfill Cap and Closure

A landfill that has reached its full capacity is required to install a final cover system to minimize infiltration of liquids and soil erosion. As well, the City must continue to monitor and maintain the site to protect against the release of hazardous constituents to the environment. Landfill closure ensures compliance with the requirement of Saskatchewan Ministry of Environment (SMOE)'s Permit to Operate and Waste

Management regulations. Funding for this project will provide an up-to-date closure plan, identifying material to be used for construction, a closure progression schedule, engineering, design and construction of an engineered cover.

Landfill Gas Recovery System

The Landfill Gas Recovery System gathers, processes and treats methane gas emitted from decomposing waste. Currently the methane is flared to reduce greenhouse gas emissions. The treated gas can also be used to produce electricity. The City is working with SaskPower to determine the feasibility of generating electricity from the landfill gas. If implemented, this waste-to-energy project would produce 1 megawatt of power and generate \$15M in revenue over 20 years. Funding represents the expansion of the collection system, electrical generators and the interconnection costs to SaskPower.

Waste Collection

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Solid Waste						
Refuse Cart Replacement	-	420	420	420	420	1,680
Refuse Carts Population Growth	60	60	60	60	-	240
Solid Waste Cart Replacement - Breakage	-	80	80	80	80	320
Total Expenditures	60	560	560	560	500	2,240
Funding Sources (\$000's)						
Solid Waste Reserve	60	560	560	560	500	2,240
Total	60	560	560	560	500	2,240

Current Year Programs

Refuse Carts Population Growth

Purchase of 1000 refuse carts annually for expected population growth.

Future Year Programs

Refuse Cart Replacement

Carts have an expected life of 10 years. Cart deployment began in 2006; therefore an annual replacement program will need to be initiated in 2015 to begin deployment in the following year.

Solid Waste Cart Replacement - Breakage

Purchase of 1000 carts per year to replace carts lost by breakage.

Streetscape

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Streetscape Development:						
Plant Material Establishment Funding	101	125	125	125	125	601
Streetscape Restoration:						
Tree Replacement along Arterials, Buffers and Parks	-	84	84	42	-	210
Total Expenditures	101	209	209	167	125	811
Funding Sources (\$000's)						
Current Contributions	5	90	90	48	6	240
Service Agreement Fees (Parks)	96	119	119	119	119	571
Total	101	209	209	167	125	811

Current Year Program

Plant Material Establishment Funding

Newly planted trees and shrubs in parks and open space in new developments are watered weekly for a three-year period to ensure establishment and survival of the new plant material. Any plantings that fail to survive this three-year period are replaced. Funded substantively through Servicing Agreement Fees, this program supports plant establishment, which significantly impacts and enhances the attractiveness of Regina's urban forest.

Future Year Programs

Tree Replacement along Arterials, Buffers and Parks

Over the past several years, tree vacancy has become noticeable along arterial roads, buffers and within park space. Tree vacancy is a result of tree mortality subsequent to a three-year establishment period. Newly planted trees are maintained and watered during the establishment period. Subsequent to that, the trees do not receive further care. Most trees survive, however some die as a result of mechanical damage, vandalism, rodents, wildlife, environmental conditions and road construction. This program will replace these vacancies.

Cemeteries

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Cemetery Improvements and Repairs:						
Cemeteries General Allocation	90	100	115	100	100	505
Total Expenditures	90	100	115	100	100	505
Funding Sources (\$000's)						
Cemetery Reserve	90	100	115	100	100	505
Total	90	100	115	100	100	505

Cemeteries General Allocation

The Cemeteries General Allocation, funded entirely through the Cemeteries Reserve, is used to sustain the cemeteries' assets to ensure the cemetery program continues to effectively operate its two locations: Regina Cemetery and Riverside Memorial Park Cemetery. The work typically funded through the General Allocation includes the construction of monument strip foundations, columbarium purchases and installation, new and infill tree and shrub plantings, landscape upgrades, road repairs, sign installations, and irrigation restoration. The cemetery program operates on a cost-recovery basis. Fees and charges are established to offset annual operating costs, as well as the cemeteries' capital needs.

Golf Courses

	2014	2015	2016	2017	2018	Five Year Total
Capital Expenditures (\$000's)						
General Golf Course Projects:						
Golf Courses General Allocation	275	225	225	375	375	1,475
Total Expenditures	275	225	225	375	375	1,475
Funding Sources (\$000's)						
Golf Course Reserve	275	225	225	375	375	1,475
Total	275	225	225	375	375	1,475

Golf Courses General Allocation

The Golf Courses General Allocation, funded entirely through the Golf Course Reserve, is used to sustain the golf courses' assets to ensure that the golf course program continues to operate effectively at its four locations: Tor Hill, Murray, Joanne Goulet and Lakeview Par 3. The capital work typically funded through the General Allocation includes mitigation of water erosion, course restoration and improvements, tree removal and replacement and irrigation systems restoration. The Golf Course Management and Financial Plan, approved by City Council in 1999, establishes the capital development strategy for golf courses in the context of course revenues.

Fire & Protective Services Department

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Other Equipment Fire						
Civic Radio System Replacement	2,731	-	-	-	-	2,731
Fire Capital Equipment Restoration & Wellness	50	50	50	50	50	250
Training Props	-	250	250	-	-	500
Thermal Imaging Cameras	-	140	-	-	-	140
Total Expenditures	2,781	440	300	50	50	3,621
Funding Sources (\$000's)						
Current Contributions	2,781	440	300	50	50	3,621
Total	2,781	440	300	50	50	3,621

Current Year Programs

Civic Radio System Replacement

The Trunked Radio System Infrastructure was upgraded in 2003 and many of the existing components are at the end of their life cycle. This project will facilitate a gradual, financially and technically feasible system migration to the P25 System that will begin in 2014 and conclude in 2018. Public Safety users require a Public Safety Grade Project 25 (P25) System. P25 is a suite of standards for digital radio communications for use by federal, provincial and local public safety agencies in North America that allow communication with other agencies and mutual aid response teams during emergencies.

Fire Capital Equipment Restoration & Wellness

This program addresses unfunded equipment replacement needs. Equipment life cycle analysis has identified funding gaps based on life expectancy and upgrades to equipment as identified by NFPA Standards, CSA Standards and Occupational Health and Safety regulations. With no identified funding programs to replace these assets this equipment is or has surpassed its safe working life or is functionally obsolete placing our employees and the citizens at risk. Items in this category are related to fire appliances, specialized tools and equipment. The program also includes the wellness/fitness equipment that supports the implementation and sustainability of the department's peer fitness program that promotes fitness and well-being of employees which allows them to meet the physical demands and challenges of the fire-fighting profession. The department cost shares fitness equipment with the employee organization.

Future Years Planned Programs

Training Props

The department is developing a business plan in order to support an academy to deliver mandatory personnel training programs and generate revenues. The props will assist in the delivery of the programs and influence the project budget.

Thermal Imaging Cameras

The department currently has 11 thermal imaging cameras deployed on emergency response apparatus. This specialized equipment has proven invaluable in quickly locating fire victims, and/or fire and heat sources in extreme smoke and related emergency conditions. The thermal imaging camera is able to "see" through heavy smoke conditions during rescue or recognise heat within walls and partitions identifying fire extension. Due to the extreme conditions in which these cameras are required to function, they have a five-year life expectancy. Funding is for the replacement of all cameras.

Other Capital Projects

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Asphalt Plant						
Upgrade of major components of asphalt plant	150	150	150	150	150	750
Buildings & Yards						
Future Radio Replacement	-	250	350	400	450	1,450
Backstop Restoration	-	25	25	25	25	100
Total Expenditures	150	425	525	575	625	2,300
Funding Sources (\$000's)						
Asphalt Plant Reserve	150	150	150	150	150	750
Current Contributions	-	275	375	425	475	1,550
Total	150	425	525	575	625	2,300

Future Years Planned Programs

Future Radio Replacement

This is an ongoing program designed to replace the radios within our communication infrastructure on a regular basis.

Backstop Restoration

This program provides funding for the restoration or decommissioning of ball diamond backstops. Based on the recommendation of the Athletic Field Study, which provides principles, guidelines, standards and policies to guide the development and management of athletic surfaces, the Study includes criteria for prioritizing capital projects. Ball diamond backstops typically deteriorate as a result of significant use of the ball diamond. Restoration is prioritized by ball diamond use as well as consideration for the safety of users and spectators.

Transit Department

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Addition of 3 Paratransit Vehicles to the Fleet	-	300	-	-	-	300
Total Expenditures	-	300	-	-	-	300
Funding Sources (\$000's)						
Current Contributions	-	300	-	-	-	300
Total	-	300	-	-	-	300

Future Years Planned Programs

Addition of 3 Paratransit Vehicles to the Fleet

The Paratransit fleet consists of 30 lift equipped buses which are used to provide 70,000 hours of service annually. The demand for paratransit service exceeds capacity. In 2012, paratransit was unable to accommodate approximately 8% of trip requests. The national standard is 1-2%. Paratransit requires three additional vehicles at a cost of \$100,000/vehicle to increase service levels to reduce the unaccommodated trip rate. This request is only related to the capital bus purchase. There is also an operational budget request of service hours.

Current Year Programs

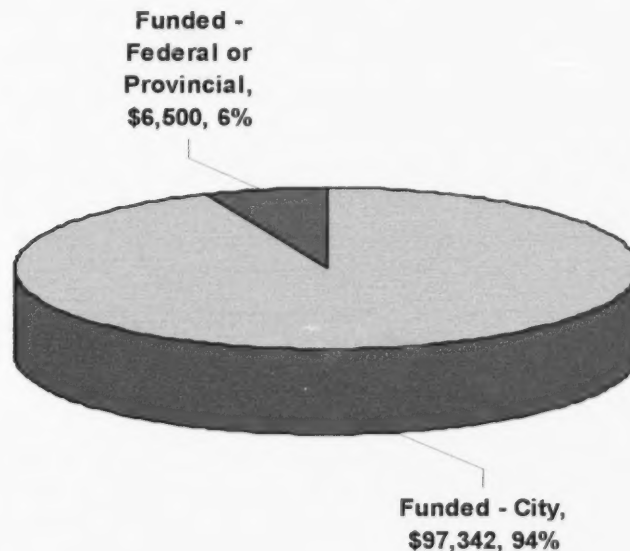
Upgrade of major components of asphalt plant

There is no requirement for a capital budget for the upgrade of major components of asphalt plant in 2014. For 2015-2018, the budget includes a general allocation for upgrading major components of the Asphalt Plant. Each component is evaluated periodically and scheduled for replacement during the winter months if there is a high probability of total failure within one year. The components selected for replacement due to economical reasons will be based on a cost/benefit ratio.

Community Planning & Development Division

Capital Summary (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Land Development	22,000	500	500	-	-	23,000
Roadway Network Improvements	6,555	10,810	6,225	20,350	10,525	54,465
Other Transportation Projects PD	-	75	-	-	-	75
Recreation Facilities	1,800	3,725	3,700	1,585	800	11,610
Open Space Restoration	600	703	771	823	1,082	3,978
Open Space Upgrades & New Development	1,150	1,070	1,019	1,355	6,120	10,714
Total Expenditures	32,105	16,883	12,215	24,113	18,527	103,842
Funding Sources (\$000's)						
Current Contributions	2,213	5,125	4,990	6,025	6,381	24,734
Developer Contributions	351	4,601	3,034	-	1,452	9,438
Fleet Replacement Reserve	65	-	-	-	-	65
Land Development Reserve	22,200	500	500	-	-	23,200
Service Agreement Fees (Parks)	722	826	527	882	3,034	5,990
Service Agreement Fees (Roads)	54	5,831	3,164	17,206	7,661	33,915
Urban Highway Connector Provincial (UHCP)	6,500	-	-	-	-	6,500
Total	32,105	16,883	12,215	24,113	18,527	103,842

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources.



Land Development

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Hawkstone Land Development	16,500	500	500	-	-	17,500
Parliament & Queen Redevelopment	3,500	-	-	-	-	3,500
South East Land Development	2,000	-	-	-	-	2,000
Total Expenditures	22,000	500	500	-	-	23,000
Funding Sources (\$000's)						
Land Development Reserve	22,000	500	500	-	-	23,000
Total	22,000	500	500	-	-	23,000

In order to ensure that a supply of land is available when needed, the City undertakes land development. An example of this would be the development of industrial land.

Whenever the City undertakes land development, it pays all associated costs for the development. These include servicing fees, development fees, costs for infrastructure, surveying, and design costs.

Funding for land development is from the Land Development Reserve. This was created in 2010 as a dedicated funding source for the acquisition and land development project costs where the City is the developer. It is anticipated that, over time, real estate revenues will provide returns beyond what is required for the Land Development Reserve Fund. In the short term, funds in the reserve are required for the up front costs of land development that will generate long term income streams.

Current Year Programs

Hawkstone Land Development

The project will maximize the value of existing land and ensure the land is available to enable growth. The project will fulfill the expected demand for land in this area with development phased over a few years. The funds will support servicing of the land to accommodate residential, multi-family and commercial demand.

Parliament & Queen Redevelopment

There is an opportunity to develop commercial lots in accordance with the existing secondary plan should the completion of the planned extension of these streets take place.

South East Lands

In 2014, studies will be undertaken as the first step in developing these lands. This will maximize the value of the land and ensure that land is available for future growth.

Roadway Network Improvements

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Total
Roadway Network Improvements						
Arens Road - Woodland Grove Drive to Chuka Boulevard	-	-	-	-	2,200	2,200
Argyle Street North - halfway across the pipeline to Rochdale Boulevard	-	2,000	-	-	-	2,000
Argyle Street North - Sangster Boulevard to halfway across the Pipeline	-	1,000	-	-	-	1,000
Chuka Boulevard - 400m north of Green Apple Drive to Primrose Drive	-	2,500	-	-	-	2,500
Chuka Boulevard - Primrose Drive to Arens Road	-	-	3,000	-	-	3,000
Lewvan Drive and Dewdney Avenue Intersection Modifications	-	-	-	-	300	300
Parliament Avenue Extension - James Hill Road to Campbell Street	-	2,000	-	-	-	2,000
Pasqua Street Corridor Improvements - Ring Road to north of Rochdale Boulevard	-	385	-	3,465	-	3,850
Prince of Wales Drive Twinning - Eastgate Drive to Dewdney Avenue	-	-	-	160	-	160
Ring Road widening - Albert Street North to McDonald Street	-	-	-	7,500	-	7,500
Ring Road Widening - Ross Ave to Dewdney Ave	-	-	-	-	7,500	7,500
Roadways Completion Program	25	25	25	25	25	125
Rochdale Boulevard twinning - Existing to Argyle Street	-	-	1,300	-	-	1,300
Sustainable Infrastructure - Transportation and Road Right of Way Studies and Pilot Projects	-	100	-	100	-	200
Transportation Master Plan	-	-	-	-	400	400
Victoria Avenue East (Bridge Replacement) - Pilot Butte Creek	6,500	-	-	-	-	6,500
Arcola Avenue Corridor Study & Improvements - College Avenue to Prince of Wales Drive	-	200	1,800	-	-	2,000
Diefenbaker Drive - McCarthy Boulevard to Skyview access	-	1,500	-	-	-	1,500
Missing Sidewalks Construction Program	-	100	100	100	100	400
Pasqua Street and Ring Road intersection improvements	-	1,000	-	9,000	-	10,000
Regina Bypass Transportation Planning Study	30	-	-	-	-	30
Total Expenditures	6,555	10,810	6,225	20,350	10,525	54,465
Funding Sources						
Current Contributions	1	593	481	3,144	1,545	5,763
Developer Contributions	-	4,400	2,580	-	1,320	8,300
Service Agreement Fees (Roads)	54	5,817	3,164	17,206	7,661	33,902
Urban Highway Connector Provincial (UHCP)	6,500	-	-	-	-	6,500
Total	6,555	10,810	6,225	20,350	10,525	54,465

Roadway Network Improvements consist of new road construction for locations approved as part of the Regina Road Network Plan. They include brand new roadways, typically adjacent to new development areas, and roadway widening projects in existing areas of the city. Arterial roadways are typically funded through a cost share by the City, Servicing Agreement Fees, and Developers. This construction is done in accordance with the Administration of Servicing Agreement Fees and Development Levies Policy. Developers fund construction of new local and collector streets. The City road network grows by approximately four to six kilometres per year.

Current Year Programs

Roadways Completion Program

This is an ongoing program to provide signs, permanent pavement markings, pedestrian crossings and similar low cost transportation related infrastructure along roadways and bikeways that were constructed within the last five years. The infrastructure to be provided as part of this fund consists of infrastructure that was missed during the initial design phase but is currently warranted or required. Funding is provided through 5% Current Contributions to capital and 95% Roads and Related Servicing Agreement Fees.

Victoria Avenue East (Bridge Replacement) - Pilot Butte Creek

This project includes the replacement of the existing bridges over Pilot Butte Creek. The bridge construction will replace aging infrastructure that is approaching the end of its service life. The intersection improvement and roadway realignment will provide a solution to manage traffic increases associated with development in east Regina. The project is eligible for approximately 100% Provincial Funding subject to the Urban Highway Connector Program (UHCP).

Regina Bypass Transportation Planning Study

The City of Regina has been asked to partner with the Ministry of Highways and Infrastructure to study how the planned Regina Bypass will connect to urban roads in the future. The study will examine where access is required along the bypass, when it is required and how the cost of a future access could potentially be distributed among benefiting users. The total cost of the project is expected to be \$90,000, with the City contributing one third of the required funding. This is a city wide transportation planning study and is 100% funded by Servicing Agreement Fees.

Future Years Planned Programs

Arens Road - Woodland Grove Drive to Chuka Boulevard.

The project consists of the extension of Arens Road from Woodland Grove Drive to Chuka Boulevard. The project may include road design construction, landscaping, and pathways. Funding for this project is provided through 60% from Developer Contributions, 38% Roads and Related Servicing Agreement Fees, and 2% Current Contributions to Capital.

Argyle Street North - halfway across the pipeline to Rochdale Boulevard

This project includes the detailed design and construction of Argyle Street North from halfway across the Pipeline Right-of-Way to Rochdale Boulevard. It may include road construction, relocation of utilities, landscaping, and construction of pathways. The road construction is essential to facilitate development to the north of Argyle Park. Funding for this project is provided through 60% from Developer Contributions, 38% Roads and Related Servicing Agreement Fees and 2% Current Contributions to Capital.

Argyle Street North - Sangster Boulevard to halfway across the Pipeline

This project includes the detailed design and construction of Argyle Street North from Sangster Boulevard to halfway across the Pipeline Right-of-Way. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate further development to the north of Argyle Park. Funding for this project is provided through 50% from Developer Contributions, 47.5% Roads and Related Servicing Agreement Fees and 2.5% Current Contributions to Capital.

Chuka Boulevard - 400m north of Green Apple Drive to Primrose Drive

This project includes the design and construction of Chuka Boulevard from 400m north of Green Apple Drive to Primrose Drive facilitating development in the Green on Gardiner subdivision and further north. The project may include roadway design, construction and landscaping. Funding for this project is provided through 60% Developer Contributions, 2% Current Contributions to Capital, 38% Roads and Related Servicing Agreement Fees.

Chuka Boulevard - Primrose Drive to Arens Road

This project includes the design and construction of Chuka Boulevard from Primrose Drive to Arens Road

to facilitate The Towns development. This project may include roadway design, construction and landscaping. Funding for this project is provided through 2% Current Contributions, 38% Roads and Related Servicing Agreement Fees and 60% Developer Contributions.

Lewvan Drive and Dewdney Avenue Intersection Modifications

This project includes the detailed design and construction of capacity improvements at the Lewvan Drive and Dewdney Avenue intersection. It may include addition of turn lanes, relocation of utilities and detours during construction. The improvements will help improve capacity and meet long term traffic growth associated with development in northwest Regina. Funding for this project is provided through 59.5% Current Contributions to Capital and 40.5% Roads and Related Servicing Agreement Fees.

Parliament Avenue Extension - James Hill Road to Campbell Street

This project includes the detailed design and construction of the extension of Parliament Avenue from James Hill Road to Campbell Street. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate development in Harbour Landing. Funding for this project is provided through 60% Developer Contributions, 38% Roads and Related Servicing Agreement Fees and 2% Current Contributions to Capital.

Pasqua Street Corridor Improvements - Ring Road to north of Rochdale Boulevard

This project includes the detailed design and construction of capacity improvements along the Pasqua Street Corridor from Ring Road to north of Rochdale Boulevard. It may include addition of vehicle lanes along or intersecting the corridor and construction of future road work at the intersection of Pasqua Street and Ring Road. The capacity improvements will provide an interim solution to manage increases in traffic associated with development in northwest Regina. Funding for this project is provided through 85% Roads and Related Servicing Agreement Fees and 15% Current Contributions to Capital.

Prince of Wales Drive Twinning - Eastgate Drive to Dewdney Avenue

This project includes the detailed design and construction of the east half of the existing Prince of Wales Drive. It may include the addition of vehicle lanes, relocation of utilities and installing landscaping. The addition of these lanes will serve to meet increased traffic demands resulting from development in east Regina. Funding is provided through 15% Current Contributions to Capital and 85% Roads and Related Servicing Agreement Fees.

Ring Road widening - Albert Street North to McDonald Street

This project includes the design and construction of additional lanes along Ring Road, as Ring Road is anticipated to be operating at or near its maximum capacity in the coming years. It may include addition of through lanes, widening and lengthening of ramps, relocation of railway crossing lights, signs and utilities and reconstruction of bridge embankments. The capacity improvements will provide a long-term solution to manage increases in traffic associated with development in Ross Industrial Park as well as northwest Regina. Funding is provided through 15% Current Contributions to Capital and 85% Roads and Related Servicing Agreement Fees. The project is also eligible for 75% Provincial Funding subject to the UHCP.

Ring Road Widening - Ross Ave to Dewdney Ave

This project includes the detailed design and construction of a third lane on Ring Road between Ross Avenue ramps and Dewdney Ave ramps. The Ring Road corridor is experiencing significant delays and operational concerns related to traffic bound to and from the Ross Industrial Park. This project includes road widening and may include relocation of utilities, signs and guard rails. The capacity improvements will help provide a permanent solution to meet long term traffic growth associated with expansion in the northeast Regina Industrial Lands. Funding for this project is provided by 85% from Roads and Related Servicing Agreement Fees and 15% from Current Contributions to Capital. This project also qualifies for 75% funding from the UHCP.

Rochdale Boulevard twinning - Existing to Argyle Street

This project includes the detailed design and construction of the twinning of Rochdale Boulevard to Argyle Street. It may include road construction, relocation of utilities, landscaping and construction of pathways. The road construction is essential to facilitate the Hawkstone development to the north of Argyle Park. Funding for this project is provided through 60% from Developer Contributions, 38% Roads and Related Servicing Agreement Fees and 2% Current Contributions to Capital.

Sustainable Infrastructure - Transportation and Road Right of Way Studies and Pilot Projects

This project encompasses pilot projects and studies pertaining to pedestrian, cycling, transit, and vehicle infrastructure. Projects and studies will be used to determine the future viability of new or innovative sustainable solutions for the City of Regina which may be ultimately incorporated into future development policy, guidelines and specifications. Studies or pilot projects will be focused within new growth areas and will either be independent from or augment new infrastructure construction. Funding for this project is provided through 100% from Roads and Related Servicing Agreement Fees.

Transportation Master Plan

Growth in the City will necessitate reviews of the transportation master plan on a five year basis. These updates will ensure that the City has an up to date, economically feasible and environmentally responsible transportation network plan. Plan updates may include revisions to the recommended road network plan, identification of new bikeways and enhancements to encourage alternative modes of transportation.

Arcola Avenue Corridor Study & Improvements - College Avenue to Prince of Wales Drive

The study is a functional review of the Arcola Avenue corridor from College Avenue to Prince of Wales Drive. This study will identify capacity improvements to provide a long term solution to manage traffic increases associated with development in east Regina. Funding is provided through 85% Roads and Related Servicing Agreement Fees and 15% current contributions. An application will be made to the UHCP for 75% funding.

Diefenbaker Drive - McCarthy Boulevard to Skyview access

This project includes the detailed design and construction of Diefenbaker Drive from McCarthy Boulevard to the east Skyview subdivision access at the future Balzer Road. It will include road construction and landscaping. The road construction will help meet long term transportation needs in northwest Regina by providing a second access into the Skyview subdivision. Funding for this project is provided through 5% Current Contributions to Capital and 95% Roads and Related Servicing Agreement Fees.

Missing Sidewalks Construction Program

This project provides for the construction of sidewalks and pathways along roads where either no sidewalks exists or is present only on one side of the road and require an upgrade to both sides. Construction of additional sidewalk would be evaluated and implemented based on pedestrian safety, public transit and budget. Funding is provided through Current Contributions to Capital.

Pasqua Street and Ring Road intersection improvements

This project includes the detailed design and construction of intersection improvements at Pasqua Street and Ring Road. This project may include construction of a new intersection, relocation of utilities, construction of an interim intersection and detours. The capacity improvements will provide a permanent solution to meet long term traffic growth associated with development in northwest Regina. Funding for this project is provided through 85% Roads and Related Servicing Agreement Fees and 15% Current Contributions to Capital.

Other Transportation Projects

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Other Transportation Projects CP&D						
Universal Design - Pedestrian Ramp Studies and Pilot Projects	-	75	-	-	-	75
Total Expenditures	-	75	-	-	-	75
Funding Sources						
Current Contributions	-	62	-	-	-	62
Service Agreement Fees (Roads)	-	14	-	-	-	14
Total	-	75	-	-	-	75

Future Years Planned Programs

Universal Design - Pedestrian Ramp Studies and Pilot Projects

To help make our city more inclusive and to promote more active modes of transportation, the Transportation Master Plan has recommended changes to the City's current pedestrian ramp standards, according to current best practices in universal design. Studies and pilot projects are now required in order to test new designs under Regina's unique conditions and weather. Funding is provided through 82% Current Contributions to Capital and 18% Road and Related Servicing Agreement Fees.

Recreation Facilities

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Recreation Facilities and Equipment						
CPTED Improvements	-	25	-	25	-	50
Outdoor Play Amenity Upgrades	200	150	150	150	200	850
Recreation Equipment and Furnishings	200	200	200	200	200	1,000
Recreation Facility Plan						
Athletic Fields /Sport Facilities Restoration, Repair and Upgrades	200	150	150	150	200	850
Regent Park Recreation Site Development Plan	200	-	-	-	-	200
Multi-Use Pathway	-	200	200	200	200	800
North Central Shared Facility						
North Central Shared Facility	1,000	3,000	3,000	860	-	7,860
Total Expenditures	1,800	3,725	3,700	1,585	800	11,610
Funding Sources						
Current Contributions	1,600	3,725	3,700	1,585	800	11,410
Land Development Reserve	200	-	-	-	-	200
Total	1,800	3,725	3,700	1,585	800	11,610

Current Year Programs

Outdoor Play Amenity Upgrades

The City's goal is to provide a playground, either City-owned or on a school site, within an 800m walking distance for the majority of households in Regina. There are currently 140 playgrounds on City property. Of these, 33 are considered to have either reached their life span or be in poor condition. Funding from this program is used to replace these playgrounds or remove them without replacement where they are no longer needed. 2014 funds will be used to replace two play structures and consider one for removal.

Recreation Equipment and Furnishings

The City of Regina operates a number of arts, culture, recreation and sport facilities. Funds from this program budget are used for the replacement, revitalization and sustainability of recreation equipment and furnishings. A life cycle replacement plan has been developed to guide purchases and ensure customers have access to safe reliable equipment that satisfies program needs and customer expectations.

Athletic Fields /Sport Facilities Restoration, Repair and Upgrades

The City of Regina schedules, operates and maintains outdoor athletic facilities including 94 athletic fields, 179 ball diamonds and the Canada Games Athletic Complex (CGAC). Capital funding is required annually to ensure playing fields, surfaces and facilities are maintained in accordance with current operating and safety standards. Capital funding is also used to improve facilities and amenities to address growth and ensure participants and spectators have access to quality facilities. In 2014 the funding is required to complete improvements to CGAC, Kiwanis National Little League Park, and a number of athletic fields and ball diamonds identified in the 2011 Athletic Field Study.

Regent Park Recreation Site Development Plan

The Recreation Facility Plan, which was approved by Council in April, 2010, recommends redevelopment of the area that currently includes the Regent Par-3 Golf Course and other recreation facilities as a neighbourhood hub with new outdoor recreation amenities that meet the changing needs of the neighbourhood. The Administration is planning to undertake a public consultation and planning process in 2014 to develop a conceptual plan for the area. Implementation will be reflected in future year budgets.

North Central Shared Facility

This unique facility will showcase a new service concept that will utilize an integrated approach to provide a variety of community based cultural, social, educational, recreational and health services in one facility. This project represents a collaborative partnership with the Ministry of Education, Regina Public Schools, the Regina Public Library, the Regina Qu'Appelle Health Region, community organizations, service providers, and the community. This new integrated services approach will have a significant and positive impact on the North Central neighbourhood and the entire city. The funding being requested from 2014 to 2016 will provide the City's contribution to finish the detailed design and allow for construction of the North Central Shared Facility. Construction will begin in the spring of 2014 and the facility is expected to open in 2016.

Future Years Planned Programs

CPTED Improvements

The Crime Prevention Through Environmental Design (CPTED) program is a comprehensive approach to addressing safety issues and concerns brought forward by the community. This program specifically focuses on working with community partners to identify options and alterations to existing park and recreation facilities to address public safety concerns. The goals of such initiatives are to reduce opportunities for crime as well as fear of crime in public space. A priority for this program area is to use CPTED principles to assess safety in City Square.

Multi-Use Pathway

Research conducted as background for the Recreation Facility Plan confirmed that pathway development is rated by Regina residents as the highest priority for recreation infrastructure. The current multi-use pathway system located on City owned land and in Wascana Centre includes 30 kilometres of paved pathway. Funds in 2012 were used to construct the North West Link Pathway from Ritter Avenue to Sherwood Drive. This pathway will connect residents in the northwest area of the city to the multi-use pathway system for recreational and commuting purposes. Pathway development for 2014 and beyond will be guided by the Transportation Master Plan, which is being developed as part of the Official Community Plan. Funding is provided through 5% Current Contributions to Capital and 95% Parks and Recreational Facilities Servicing Agreement Fees.

Open Space Restoration

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Irrigation System Improvements						
Irrigation System Restoration	200	221	245	271	300	1,237
Restoration:						
Multi-use Pathway Asphalt Recapping	200	200	200	200	200	1,000
Parks and Open Space Restoration	200	1	45	71	300	617
City Square Plaza Restoration	-	30	31	31	32	124
Outdoor Ice - Water Service Repair	-	25	25	25	25	100
Plant Health Care	-	200	200	200	200	800
Water Features Restoration	-	25	25	25	25	100
Total Expenditures	600	703	771	823	1,082	3,978
Funding Source						
Current Contributions	600	703	771	823	1,082	3,978
Total	600	703	771	823	1,082	3,978

The City manages a diverse open space system with various levels of development and use. The open space ranges from high quality, high use parcels such as Kiwanis Park and Victoria Park to minimally developed open space such as utility parcels, pipeline rights-of-way, and storm channel fringes.

Current Year Program

Irrigation System Restoration

Funding is directed at restoring and replacing deteriorated irrigation system components to ensure effective operation in the City's parks and open space. This typically includes vandalism repairs, lifecycle replacement of quick coupler valves, sprinklers, automated valves, valve boxes, water lines, water service boxes including backflow devices, pump stations, computer system software and hardware, and the decommissioning and abandonment of water service boxes.

Multi-use Pathway Asphalt Recapping

Residents and visitors enjoy 37 kilometres of multi-use pathway throughout Regina. Some sections of the pathway are in need of immediate recapping, with the remainder needing to be recapped over the next few years to keep them in usable and safe condition. This program started in 2010, as a project phased over 10 years. Recapping includes cleaning and applying tack oil to the area to be recapped and supplying and installing 50 mm of hot mix asphalt. The cost is \$65,100 per kilometre for a three metre wide path.

Parks and Open Space Restoration

This funding is used to restore or replace deteriorated open space amenities to a safe and useable condition. Funding is used for activities such as major turf repair, furniture and fixture replacement, hard-surface pathway repairs, tree and shrub bed replacement, drainage improvements, and upgrades to the protective surfacing zones beneath play structures.

Future Years Planned Programs

City Square Plaza Restoration

This funding is used to restore or replace deteriorated, vandalized or damaged elements within the City Square Plaza. It is also used to correct deficiencies in the landscape planning. Funding is used to repair or replace amenities such as the paving stone surface, plaza furniture and other components within the Plaza.

Outdoor Ice - Water Service Repair

The City operates 60 outdoor ice surfaces comprised of 22 boarded (hockey) surfaces and 38 pleasure skating surfaces. There are 41 locations strategically located throughout the city. Each of these sites has a water service to flood the rink. Funding is required to dig up and repair the water services when they fail.

Plant Health Care

Municipalities committed to reducing or eliminating the use of pesticides, generally adopt what is referred to as a Plant Health Care (PHC) approach. PHC is based on the premise that healthy plants are their own best defence against weed and insect infestations. PHC programs are comprised of turf maintenance practices such as irrigation, fertilization, aeration, dethatching (verti-cutting), over-seeding and topdressing that work together to produce a healthy stand of turf grass. In 2013 approximately 80 parks will be designated as having herbicide-free turf. Implementing the PHC approach in these parks would greatly increase the likelihood that there would not be an increase in weed density and therefore these parks would continue to meet the criteria for annual designation of herbicide-free turf grass.

Water Features Restoration

Water features, comprised of waterfalls and fountains at Wascana View Park, Kiwanis Waterfall Park, Lakewood Park, Rochdale Park and Queen Elizabeth II Courtyard, have reached their maturation point. The features do not operate as originally designed; and in some cases are unsafe or require an assessment as to their safety. Recommendations from a condition assessment on each of the water features will provide direction for repair, replacement or decommissioning. These recommendations will be phased in over five years.

Open Space Upgrades & New Development

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Arcola Avenue (Streetscape) - Chuka Blvd to Chuka Creek	-	320	-	-	-	320
Arcola Avenue (Streetscape) - Woodland Grove to Chuka Blvd	-	180	-	-	-	180
Arens Road Extension (Streetscape) - Woodland Grove Drive to Chuka Boulevard	-	-	-	-	220	220
Argyle Street North (Streetscape) - Sangster Boulevard to halfway across the Pipeline	-	-	44	-	-	44
Argyle Street North (Streetscape) - Halfway across Pipeline to Rochdale Boulevard	-	60	-	-	-	60
Chuka Boulevard Extension (Streetscape) - 400 metres north of Green Apple Drive to Primrose	-	-	250	-	-	250
Chuka Boulevard Extension (Streetscape) - Arcola Avenue to 400 metres north of Green	275	275	-	-	-	550
Chuka Boulevard Extension (Streetscape) - Primrose Drive to Arens Road	-	-	300	-	-	300
Courtney Street (Streetscape) - North of Dewdney Avenue (Streetscape) - Pilot Butte	-	-	125	-	-	125
Creek to Prince of Wales Drive	-	-	100	-	-	100
Gordon Road Extension (Streetscape) - Drainage Channel to Campbell Street	200	-	-	-	-	200
Harbour Landing Outdoor Rink	500	-	-	-	-	500
Lewvan Drive (Streetscape) - 25th Avenue to Regina Avenue	-	-	-	270	-	270
Parks Turf Mower - 11'	65	-	-	-	-	65
Parliament Avenue Extension (Streetscape) - Harbour Landing Drive to James Hill Road	110	-	-	-	-	110
Parliament Avenue Extension (Streetscape) - James Hill Road to Campbell Street	-	60	-	-	-	60
Rochdale Boulevard Twinning (Streetscape) - Existing to Argyle Street	-	-	200	-	-	200
South East Zone Park	-	-	-	770	5,900	6,670
Diefenbaker Drive (Streetscape) - McCarthy Boulevard to Skyview access	-	175	-	-	-	175
Pasqua Street North (east side) (Streetscape) - Big Bear Boulevard to Highway 11	-	-	-	180	-	180
Pasqua Street North (west side)(Streetscape) - Rochdale Blvd to Diefenbaker Drive	-	-	-	135	-	135
Total Expenditures	1,150	1,070	1,019	1,355	6,120	10,714
Funding Source						
Current Contributions	12	43	38	473	2,954	3,521
Developer Contributions	351	201	454	-	132	1,138
Fleet Replacement Reserve	65	-	-	-	-	65
Service Agreement Fees (Parks)	722	826	527	882	3,034	5,990
Total	1,150	1,070	1,019	1,355	6,120	10,714

Current Year Program

Chuka Boulevard Extension (Streetscape) - Arcola Avenue to 400 metres north of Green Apple Drive

This project includes street tree planting along Chuka Boulevard from Arcola Avenue to 400 metres north of Green Apple Drive. Street tree planting along this major arterial roadway is in fulfillment of priorities set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 60%

Developer Contributions, 38% Parks & Recreational Facilities Servicing Agreement Fees and 2% Current Contributions to Capital.

Gordon Road Extension (Streetscape) - Drainage Channel to Campbell Street

This project includes street tree planting along Gordon Road between the Harbour Landing drainage channel and Campbell Street. Street tree planting along this major arterial roadway is in fulfillment of priorities as set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 60% Developer Contributions, 38% Parks & Recreational Servicing Agreement Fees and 2% Current Contributions to Capital.

Harbour Landing Outdoor Rink

Harbour Landing is continuing to develop and in order to meet the needs of the community, an outdoor boarded rink is to be constructed containing a hard surface and basketball hoops in Fairchild Park. Funding for the project is provided through 100% Parks & Recreational Servicing Agreement Fees.

Parks Turf Mower - 11'

This funding will be used to purchase one 11' fine turf mower for mowing parks' turf and athletic fields. As the total area of open space increases, additional equipment is required to meet current service level standards. Previous to 2013, when one of two mowers was approved for purchase, the last acquisition of a wide area mower was in 2003. From 2004 to 2014, Parks has assumed responsibility for 129 additional hectares of open space. Based on mowing specifications for an 11' mower, the City has approximately 32 hectares of unmet mowing needs.

Parliament Avenue Extension (Streetscape) - Harbour Landing Drive to James Hill Road

This project includes street tree planting along Parliament Avenue from Harbour Landing Drive to James Hill Road. Street tree planting along this major arterial roadway is in fulfillment of priorities set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 60% Developer Contributions, 38% Parks & Recreational Servicing Agreement Fees and 2% Current Contributions to Capital.

Future Years Planned Projects

Each project is in fulfilment of the Regina Urban Forest Management Strategy.

Arcola Avenue (Streetscape) - Chuka Blvd to Chuka Creek

This project includes street tree planting along both sides of Arcola Avenue, between Chuka Boulevard and Chuka Creek. Street tree planting along this major arterial roadway, adjacent to The Creeks and Greens on Gardiner. Funding for this project is provided through 95% Parks & Recreational Facilities Servicing Agreement Fees and 5% Current Contributions to Capital.

Arcola Avenue (Streetscape) - Woodland Grove to Chuka Boulevard

This project includes street tree planting along both sides of Arcola Avenue, between Woodland Grove and Chuka Blvd. Street tree planting along this major arterial roadway, adjacent to The Creeks and Greens on Gardiner subdivisions. Funding for this project is provided through 95% Parks & Recreational Facilities Servicing Agreement Fees and 5% Current Contributions to Capital.

Arens Road Extension (Streetscape) - Woodland Grove Drive to Chuka Boulevard

This project includes street tree planting along Arens Road from Woodland Grove Drive to Chuka Boulevard. Street tree planting along this major arterial roadway. Funding for this project is provided through 60% Developer Contributions, 38% Parks & Recreational Facilities Servicing Agreement Fees and 2% Current Contributions to Capital.

Argyle Street North (Streetscape) - Sangster Boulevard to halfway across the Pipeline

This project includes street tree planting along Argyle Street North from Sangster Boulevard to halfway across the Pipeline Right-of-Way. Street tree planting along this major arterial roadway is in fulfillment of priorities set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 50% Developer Contributions, 47.5% Parks & Recreational Facilities Servicing Agreement Fees and 2.5% Current Contributions to Capital.

Argyle Street North (Streetscape) - Halfway across Pipeline to Rochdale Boulevard

This project includes street tree planting along Argyle Street North from south of the pipeline to Rochdale Boulevard. Street tree planting along this major arterial roadway is in fulfillment of priorities set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 60% Developer Contributions, 38% Parks & Recreational Facilities Servicing Fees and 2% Current Contributions to Capital.

Chuka Boulevard Extension (Streetscape) - 400 metres north of Green Apple Drive to Primrose Drive

This project includes street tree planting along Chuka Boulevard from 400 metres north of Green Apple Drive to Primrose Drive. Street tree planting along this major arterial roadway is in fulfillment of priorities set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 60% Developer Contributions, 38% Parks & Recreational Facilities Servicing Agreement Fees and 2% Current Contributions to Capital.

Chuka Boulevard Extension (Streetscape) - Primrose Drive to Arens Road

This project includes street tree planting along Chuka Boulevard from Primrose Drive to Arens Road. Street tree planting along this major arterial roadway is in fulfillment of priorities in the Regina Urban Forest Management Strategy. Funding for this project is provided through 60% Developer Contributions, 38% Parks & Recreational Facilities Servicing Agreement Fees and 2% Current Contributions to Capital.

Courtney Street (Streetscape) - North of Mapleford Gate

This project comprises of street tree planting and landscape buffer planting along Courtney Street, from Mapleford Gate, north 350 metres. Funding for this project is provided through 95% Parks & Recreational Facilities Servicing Agreement Fees and 5% Current Contributions to Capital.

Dewdney Avenue (Streetscape) - Pilot Butte Creek to Prince of Wales Drive

This project includes street tree planting along Dewdney Avenue between Pilot Butte Creek and Prince of Wales Drive. Street tree planting along this major arterial roadway is in fulfillment of the priorities set out in the Regina Urban Forest Management Strategy. Funding for this project is through 85% Parks & Recreational Servicing Fees and 15% Current Contributions to Capital.

Lewvan Drive (Streetscape) - 25th Avenue to Regina Avenue

This project includes street tree planting along the west side of Lewvan Drive, between 25th Avenue and Regina Avenue. Street tree planting along this major arterial roadway is in fulfillment of priorities as set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 85% Parks & Recreational Facilities Servicing Agreement Fees and 15% Current Contributions to Capital.

Parliament Avenue Extension (Streetscape) - James Hill Road to Campbell Street

This project includes street tree planting along Parliament Avenue from James Hill Road to Campbell Street. Street tree planting along this major arterial roadway is in fulfillment of priorities set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 95% Parks & Recreational Servicing Fees and 5% Current Contributions to Capital.

Rochdale Boulevard Twinning (Streetscape) - Existing to Argyle Street

This project includes street tree planting along Rochdale Boulevard, 350 metres east of Pasqua Street to Argyle Street. Street tree planting along this major arterial roadway is in fulfillment of priorities as set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 60% Developer Contributions, 38% Parks & Recreational Facilities Servicing Agreement Fees and 2% Current Contributions to Capital.

South East Zone Park

A new zone level park space will be created within the Towns Development to service the south east area of the city. Funding for this project is provided through 50% Current Contributions to Capital and 50% Parks and Recreational Facilities Servicing Agreement Fees.

Diefenbaker Drive (Streetscape) - McCarthy Boulevard to Skyview access

This project includes street tree planting along Diefenbaker Drive between McCarthy Avenue the east Skyview subdivision access at the future Balzer Road. Street tree planting along this roadway is in fulfillment of priorities as set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 95% Parks & Recreational Facilities Servicing Agreement Fees and 5% Current Contributions to Capital.

Pasqua Street North east side (Streetscape) - Big Bear Boulevard to Highway 11

This project includes street tree planting along Pasqua Street North between Big Bear Boulevard and Highway 11. Street tree planting along this major arterial roadway, adjacent to the Hawkstone subdivision, is in fulfillment of priorities as set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 85% Parks & Recreational Facilities Servicing Agreement Fees and 15% Current Contributions to Capital.

Pasqua Street North west side (Streetscape) - Rochdale Blvd to Diefenbaker Drive

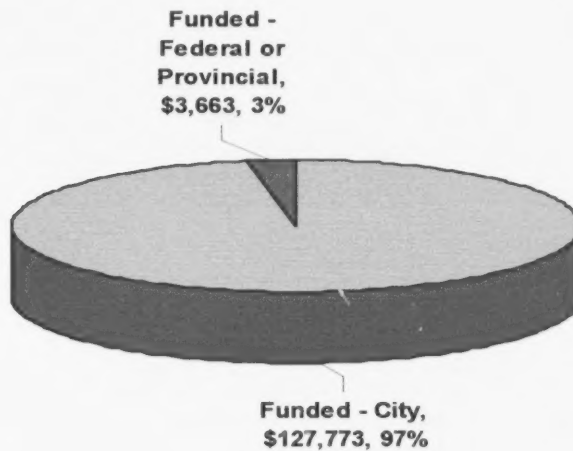
This project includes street tree planting along the west side of Pasqua Street North, from Rochdale Blvd to Diefenbaker Drive. Street tree planting along this major arterial roadway, adjacent to the Lakeridge subdivision extension, is in fulfillment of priorities as set out in the Regina Urban Forest Management Strategy. Funding for this project is provided through 85% Parks and Recreational Facilities Servicing Agreement Fees and 15% Current Contributions to Capital.

Corporate Services Division

Capital Program Summary

Capital Summary (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Fleet	16,340	10,476	10,097	6,653	10,612	54,178
Facilities	5,850	18,270	18,596	11,859	9,542	64,117
Information Technology	2,280	2,660	3,750	2,050	2,400	13,140
Total Expenditures	24,470	31,406	32,443	20,562	22,555	131,436
Funding Sources (\$000's)						
Asphalt Plant Reserve	30	-	-	-	-	30
Asset Revitalization Reserve	2,837	-	-	-	-	2,837
Cemetery Reserve	-	10	10	10	10	40
Current Contributions	7,113	10,370	12,511	13,224	11,307	54,525
Employer Parking Reserve	300	275	250	300	250	1,375
Fleet Replacement Reserve	9,840	10,526	10,097	6,653	10,612	47,728
Gas Tax (GT)	3,663	-	-	-	-	3,663
Golf Course Reserve	200	225	225	375	375	1,400
Solid Waste Reserve	-	10,000	9,350	-	-	19,350
Service Agreement Fees (Parks)	487	-	-	-	-	487
Total	24,470	31,406	32,443	20,562	22,555	131,436

The following chart shows the identified capital requirements for the Division over the next five years, and reflects the current funding sources.



Fleet Services

The Fleet Services Department of the Corporate Services Division manages all City vehicles and equipment, including those used by the Transit and Fire Departments but excluding those used by the Regina Police Service. The Fleet Services Department also manages and operates the Small Tools and Equipment program, which includes powered hand tools such as string trimmers, chainsaws, walk behind mowers, pumps, etc.

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Civic Fleet Replacement	6,526	5,772	5,593	4,984	5,233	28,108
Fire Fleet Replacement	1,600	1,000	850	850	850	5,150
Small Tools Replacement	84	84	84	84	84	420
Transit Fleet Replacement	8,130	3,620	3,570	735	4,445	20,500
Total Expenditures	16,340	10,476	10,097	6,653	10,612	54,178
Funding Sources						
Fleet Replacement Reserve	9,840	10,476	10,097	6,653	10,612	47,678
Gas Tax (GT)	3,663	-	-	-	-	3,663
Asset Revitalization Reserve	2,837	-	-	-	-	2,837
Total	16,340	10,476	10,097	6,653	10,612	54,178

Current Year Programs

Civic Fleet Replacement

Replacement of fleet assets that have reached or exceeded their economic life. In 2014, 94 vehicles and equipment units are planned for replacement.

Fire Fleet Replacement

Replacement of frontline Fire apparatus and support vehicle assets that have reached or exceeded their planned economic life. In 2014, one aerial platform truck and two light support unit replacements are planned.

Small Tools Replacement

Replacement of small tools under the civic fleet replacement reserve.

Transit Fleet Replacement

Replacement of Transit Fleet assets that have reached or exceeded their planned economic life. In 2014, the replacement of 15, 40' low floor Transit buses, and six ParaTransit minibuses are planned.

Planned Acquisitions and Disposals

(Does not include additions to the fleet that may be proposed by client departments)

	Existing Number of Units	Planned Annual Turnover				
		2014	2015	2016	2017	2018
Light Trucks	370	25	32	15	51	23
Turf & Light Equipment	253	21	20	25	46	19
Heavy Trucks	124	5	10	-	1	6
Heavy Equipment	142	23	13	28	13	22
Trailers	136	17	8	3	6	8
Transit Buses	108	15	-	7	6	-
Paratransit Buses	31	6	6	6	7	5
Fire Apparatus & Emergency Response	35	2	2	1	1	1
Total Fleet	1,199	114	91	85	131	84

Fleet Replacement Planning

Vehicle replacement provides the opportunity to evaluate the composition and size of the fleet. It is important to take a broad view and use the opportunity to adjust the fleet so that it supports the client department's long-term operational plans. The fleet must be constantly adjusted to ensure that it can produce the quantity and quality of work needed to achieve client departments' operational goals. Adjustments to the fleet made possible by replacing identified units must be made in a rational way with the objective of maximizing the utilization of the core fleet and using short-term rentals or other arrangements to accommodate peak demands.

Fleet replacement decisions should be integrated with business planning. Business planning drives the operational aspects of fleet requirements. The client department makes its best estimates of the work that it will be performing and evaluates equipment needs based on those estimates. Integrating equipment replacements with client department business plans provides for systematic decisions that recognize financial constraints, maximize fleet utilization, and minimize fleet costs. Good replacement decisions also consider the operational, mechanical, and financial aspects of continued ownership of the existing vehicle as well as all alternatives.

There are three fundamental reasons why the fleet needs to be constantly renewed.

- Regular and adequate capital investments must be made to replace the fleet life used up in any given period. If not done, the result will be a downward spiral of increasing age, increasing cost, and decreasing reliability. Systematic, orderly, and ongoing replacement will ensure that the fleet retains its value as a productive asset that supports all client departments' operations.
- The average age of the fleet must be managed with care. Young fleets and old fleets exhibit different cost patterns, and it is easy to assume that the maintenance cost reductions for a young fleet are sustainable when in reality they are nothing more than provisions for the higher operating costs that come with the later years of the vehicle's economic life. An old fleet will present the opposite – it is difficult to maintain control when irregular replacement causes fleet average age to swing from young to old.
- Fleet performance is all about reliability, availability, productivity, and predictable costs. Every vehicle experiences deterioration and obsolescence. In the end, while competent policies for maintenance, repair and rebuild extend life, replacement is the only way to revitalize the fleet and maintain productive capacity.

Each year, the Fleet Services Department prepares a fleet replacement plan for the upcoming budget year using a collaborative process with client departments. The needs of client departments must be clearly understood, and Fleet Services' responsibility is to identify equipment and technology that can cost-effectively perform the tasks required. Ongoing replacement or renewal of fleet assets is required to ensure the fleet is reliable, suitable, cost effective, and available when needed.

Replacement Criteria

Equipment replacement analysis involves determining the optimum economic life or "replacement cycle" for each type of equipment. This identifies the period in the life of the equipment where the equivalent annual cost is lowest. It is also recognized that individual vehicles can have unique lifecycles, depending on usage and operating environments.

The methodology for developing replacement criteria includes consideration of the following factors:

- **Service Life** – The length of time that the unit is capable of delivering its designed level of service. Deterioration is the degree to which the performance of the existing vehicle has declined in terms of reliability, uptime, and reparability.
- **Technological Life** – The decline in productivity of a unit compared with a new design in so far as productivity, quality of work performed, simplicity of operation, fuel efficiency, safety, and environmental compliance are concerned. Some factors, such as current workloads, deteriorating reliability, and increasing operating costs can be quantified. Others, such as future workloads, the benefits of the latest technologies, and improved productivity can only be estimated.
- **Economical Life** – The length of time the average annual cost of a unit declines or remains at a minimum. The financial aspects of the purchase decision, the future owning and operating costs of the existing vehicle, and the expected minimum lifecycle owning and operating costs of the replacement unit are all important. They must not, however, drive the decision and produce results that make no sense from an operational or mechanical point of view. It makes little sense to hold onto a vehicle for which there is little or no work simply because a substantial amount may have been spent recently on repairs.
- **Downtime Sensitivity** – The effect on program delivery when the equipment is not available for use. Analyzing the operational aspects of the decision to sell one piece of equipment and invest in another ensures that the decision is integrated in the best interests of the City as a whole.

Fleet Growth and Rationalization

Fleet requirements are somewhat dynamic and a process must be in place to manage changing needs. The Fleet Governance Committee reviews and prioritizes all proposed acquisitions of additional vehicles and equipment and makes a recommendation on these proposals to the Budget Advisory Groups.

The following controls are used to manage the fleet size:

- Departments are required to prepare a business case when requesting additional vehicles or upgraded replacements. Approval is contingent on meeting all of the following criteria:
 - The additional vehicle/equipment is required as a result of a change in the service delivery strategy or quantity of work to be done;
 - There are no other suitable fleet units that could be re-deployed, and
 - Ownership is the best option to obtain the equipment.

- Fleet replacements – Approval for replacement of fleet vehicles and equipment is contingent on satisfactory utilization of the equipment being replaced. Where the utilization of the existing equipment does not meet the minimum utilization criteria, the replacement must be supported by a business case.

Fleet Distribution

<u>City Operations (883 units)</u>	
Fire & Protective Services	46
Open Space & Environment	263
Roadways & Transportation	286
Transit	142
Water Works Services	146
<u>Community Planning & Development (197 units)</u>	
Community Development, Recreation & Parks	182
Construction & Compliance	15
<u>Corporate Services (119 units)</u>	
Facilities Management Services	57
Financial Services	5
Fleet Services	16
Motor Pool	39
Information Technology Services	2
Fleet Total	<u><u>1,199</u></u>

Note:

These figures include previously approved additions but do not include any new vehicles or equipment proposed to be added to the fleet.

Fleet Age

The success of achieving and maintaining the optimal fleet size is largely dependent on the ability to properly manage the age of the fleet. In the past, as the fleet aged and equipment reliability declined, some replaced vehicles were retained as spares to provide the required availability. The result was an old, large and under utilized fleet that was costly to maintain. An appropriate average fleet age requires fewer spare units, and consequently a smaller, better utilized and cost efficient fleet.

The ongoing challenge is to manage the age of the fleet in a planned and fiscally responsible manner. Replacements are prioritized based on highest cost benefit and urgent operating department needs. Each year, a replacement plan is produced that identifies replacements for the following year and projections for the next five and twenty years. This long-term planning is required to stabilize the capital requirements from year to year.

The following table shows the current and target age of the fleet.

Fleet Average Age (Years)

Equipment Type	Current	Target
Light Trucks	5.3	6.0 – 7.0
Heavy Trucks	6.9	7.0 – 8.0
Heavy Equipment	6.5	8.0 – 10.0
Turf & Light Industrial Equipment	5.5	5.0 – 7.0
Trailers	11.3	10.0 – 12.0
Transit Buses	6.5	8.5 – 9.5
Paratransit Buses ¹	2.8	2.5 – 3.0
Fire Apparatus	9.5	9.5 – 10.5
Fire Rescue / Emergency Response	12.9	8.0 – 10.0

Note 1: 2015's bus replacement purchases have been advanced to 2014. Consequently in 2014 the average age of the Transit Bus fleet will be below the targeted age.

Transit and Fire Fleets

The City currently operates a fleet of 109 Transit buses and three support vehicles. Capital investment in the fleet is required to ensure that transit service is not negatively impacted. Transit requires an average of seven new vehicles per year as these buses have a fifteen year life expectancy. Without funds to renew the fleet, a shortage of vehicles may occur and cause service disruptions. In 2013, City Council approved the advanced replacement of fifteen buses to address fleet reliability and maintenance cost issues. These new replacement buses are expected to enter service in spring 2014.

The Paratransit fleet consists of 31 buses in 2012, with 26 buses scheduled for regular service and five buses available as spares. The City owns the Paratransit buses, while bus maintenance and operation are provided by a contractor. Paratransit requires six new vehicles per year as these buses have a five year life expectancy. This standard should be maintained throughout the five-year capital program in order to maintain service levels.

The Fire & Protective Services Department fleet includes twenty front-line apparatus vehicles, eighteen rescue/ emergency response vehicles some of which are equipped for special purposes such as water rescue, investigation or public education, and eight other support vehicles including vans, trucks and trailers.

A *Five Year Funding Stabilization and Equipment Modernization Strategy* was implemented in 2011 to provide a sustainable on-going funding mechanism for Fire and Transit fleet stability as well as a short-term modernization plan to reduce the average fleet age to accepted industry standards. Completion of the strategy will enable management of Transit and Fire fleet assets to be fully aligned with the equipment life-cycle planning and replacement reserve fund management basis used successfully by the Civic fleet.

It is important to note that the larger fleet required for increased service levels or additional service provision has not been funded within this plan. The proposed strategy is based on the assumption of providing fleet assets to support current service delivery levels only. Any proposed increase in service delivery levels or additional service provision that would necessitate additional Fire trucks and/or Transit buses would impact the up-front capital and on-going Fleet Replacement Reserve funding requirements. Any plans for increased service levels or additional service provision must include requests for sufficient funding to acquire the additional fleet assets, as well as an incremental increase to contributions to the reserve for their eventual replacement.

Alignment with Corporate Strategy

The 2014 Fleet Replacement Plan demonstrates alignment with the City of Regina Corporate Strategic Plan, including Council's vision of an attractive and sustainable community and the following strategic priorities:

- **Strengthen City Infrastructure and Manage Assets** – The 2013 Fleet Replacement Plan and 2014 – 2018 Fleet Capital Program demonstrates prudent lifecycle management of the City's investment in its fleet assets. The Transit fleet modernization strategy is consistent with the Transit Investment Plan which recognized that a more aggressive fleet replacement program will be necessary over the next few years.
- **Achieve Operational Excellence** – Client departments rely on Fleet Services to provide vehicles and equipment that are available, reliable, suitable, and cost effective. Operating departments are able to provide their services most effectively and efficiently when provided with reliable equipment that is properly matched to the work performed. Replacing the vehicles identified in the 2014 Replacement Plan will help Fleet Services meet customer expectations.
- **Ensure Organizational Capacity and Effectiveness** – The Fleet Capital Program contributes to a contemporary workplace. Many City of Regina employees spend the majority of their working time operating or riding in vehicles. Timely replacement of fleet vehicles provides a comfortable, safe, and modern work environment for use by employees in the performance of their duties. A well-managed and maintained fleet can help attract and retain talent and improve employee morale, satisfaction, and productivity. The Five Year Funding Stabilization and Equipment Modernization Strategy for the Transit and Fire fleets will maintain the City's ability to deliver key Fire protection and Transit services to the public.

Facilities Management Services

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Major Projects						
Corporate Services						
Corporate Office Space for New Employees	75	75	75	75	75	375
Fuel Dispensing Equipment Upgrades	-	50	-	-	-	50
Corporate Facilities Security Program	-	25	25	25	25	100
Corporate Office Space Upgrades - Priority 1	-	-	-	1,800	1,800	3,600
Community Planning & Development Services						
Douglas Park/Leibel Field Support Facility	2,175	400	900	-	-	3,475
Parks and Facilities Yard Facilities Master Plan	-	-	330	3,100	850	4,280
Parks Operational Facilities	-	40	400	-	-	440
Tennis Court Redevelopment	-	740	225	225	225	1,415
City Operations						
City Operations - Landfill Facility	-	10,000	9,350	-	-	19,350
Fire Facilities - New Pump Testing and Storage Facility	-	70	-	-	-	70
Category Total	2,250	11,400	11,305	5,225	2,975	33,155
Asset Revitalization & Sustainability						
Cemeteries Facility Revitalization & Sustainability	-	10	10	10	10	40
Employee Provided Parking Revitalization (Non-City Hall)	300	275	250	300	250	1,375
Facilities Asset Revitalization & Sustainability	3,000	2,060	2,121	2,384	3,247	12,812
Golf Course Facility Sustainability	200	225	225	375	375	1,400
Roof Fall Arrest Program	100	75	50	50	50	325
Outdoor Pools Program	-	4,200	4,610	3,490	2,610	14,910
Transit Shelters - New	-	25	25	25	25	100
Category Total	3,600	6,870	7,291	6,634	6,567	30,962
Total Expenditures	5,850	18,270	18,596	11,859	9,542	64,117
Funding Sources						
Cemetery Reserve	-	10	10	10	10	40
Current Contributions	4,863	7,710	8,761	11,174	8,907	41,415
Employer Parking Reserve	300	275	250	300	250	1,375
Fleet Replacement Reserve	-	50	-	-	-	50
Golf Course Reserve	200	225	225	375	375	1,400
Service Agreement Fees (Parks)	487	-	-	-	-	487
Solid Waste Reserve	-	10,000	9,350	-	-	19,350
Total	5,850	18,270	18,596	11,859	9,542	64,117

The Facilities Management Services Department is responsible for the space planning, construction project management, physical plant maintenance and the operation of the majority of City-owned facilities. The capital budget for Facilities consists of two general types of expenditures: those related to major capital projects and those related to the general capital maintenance and upgrade for facilities, referred to as Facility Revitalization and Sustainability expenditures.

Current Year Programs

Major Projects

Corporate Office Space for New Employees

Funding for office space for new FTEs approved through the 2014 operating and capital budget process. Funding to be adjusted based on the actual FTEs approved for 2014.

Douglas Park/Leibel Field Support Facility

Douglas Park is considered one of the City's premiere sports parks. In the last ten years, over five million dollars has been invested in this site by the City and community partners to provide the level of facility that exist today. It is the home to Leibel Field artificial turf, the Canada Games Athletic Complex, four ladies softball diamonds, one baseball diamond, a cricket pitch and five of the City's synthetic surface tennis courts. The support buildings for this space, however, have met their life span and need to be replaced. In addition to condition concerns, they no longer meet the needs of the growing volume of participants and diversity of programming at the site. 2014 funding will be used to construct a new support facility and demolish the existing washrooms. 2015 funds will be used to convert the existing change room building to program equipment storage and increase the parking area.

Asset Revitalization & Sustainability

Employee Provided Parking Revitalization (Non-City Hall)

This funding is allocated from the employee parking reserve (non-City Hall) to provide for the long-term sustainability of employee provided parking lots, including asphalt, lighting and electrified parking receptacle infrastructure capital maintenance at sites other than City Hall.

Facilities Asset Revitalization & Sustainability

This funding is allocated to key facilities for projects identified in FMS' capital planning program (VFA) and other condition assessments. Projects include structural, architectural, mechanical, electrical and code or safety requirements in order to maintain the integrity of the facility systems such that the City programs and operations can continue to effectively operate. The work does not include enhancements, replacement or additions to facilities. Examples of Facilities that revitalization and sustainability funding is focused on includes City Hall, Fire Stations, Outdoor Pools, Yard Garages, Recreation Centres, Arenas, Community Centres as well as the Sandra Schmirler Leisure Centre, North West Leisure Centre and the Sportplex.

Golf Course Facility Sustainability

This funding is allocated to golf course facilities for projects identified in the Facilities Management Services capital planning program. Projects include structural, architectural, mechanical, electrical and code or safety requirements in order to maintain the integrity of the facility systems such that the City programs and operations can continue to effectively operate.

Roof Fall Arrest Program

Multi-year program for the implementation of systems to provide safe access to facility roofs for employees and others requiring access. The systems include guardrails, anchor points, safe zones and fixed ladders. This program improves roof access safety through compliance with current OH&S regulations and industry standards.

Future Years Planned Programs

Major Projects

Fuel Dispensing Equipment Upgrades

This funding is for the upgrade of fuel dispensing control equipment.

Corporate Facilities Security Program

This program provides funding for updating and modernizing security controls including building access at City facilities. Controlling building access is a fundamental requirement in ensuring the safety and security of employees, customers, assets and information. Modernizing access control includes replacement of key and code door locks with electronic card access that ensures authorized access while minimizing exposure and eliminating costs associated with re-keying and coding.

Corporate Office Space Upgrades - Priority 1

This project is for the renovation of an entire floor of City Hall or other corporate office space equivalent in size to one floor of City Hall as per contemporary office space guidelines. Space is at a premium at the City of Regina and the office space and furniture available to staff does not meet current functional and operational requirements. This program will over time provide for enhanced work space and quality of work experience for employees throughout the organization. New contemporary open office space guidelines provide for a more modern and efficient approach to designing office space. The alternative to completing renovations in existing space will be the requirement to lease, which would come at an additional cost.

Parks and Facilities Yard Facilities Master Plan

Funding required to complete the consolidation of Facilities Management Services with Parks and Open Space in the Parks Yard. Phase 1 and 2 are complete (Admin office and Chrysler Building Renovations). This funding is for completing the final phase: constructing a trades shop and office complex, construction of a new cold storage facility, demolition of redundant facilities and the construction of a new access road and storage compounds in the yard.

Parks Operational Facilities

This project is for the expansion and enhancement of Parks and Open Space operational facilities. The work includes improvements to maintenance depots, pump houses and storage buildings. 2015 funding is for the heating of District 1, 2 and 3 storage buildings (subject to an operating budget increase). 2016 funding is for the construction of a new District 4 depot.

Tennis Court Redevelopment

The City currently provides four synthetic surface sites (with a total of 14 courts) that are intended for city-wide use as well as 20 asphalt sites (with a total of 43 courts) that allow for participation at the neighbourhood level. Of the 57 courts, a number of courts are in a state of disrepair. In order to sustain the outdoor tennis court program into the future, the City will aim to enhance identified priority sites and maintain them at a higher level and to decommission lesser used sites and return the space to appropriate standards. Funds will be directed to investments in select sites that are well distributed geographically throughout the City, while decommissioning others that have not been playable for a number of years due to their condition. The priorities for 2015 will be to resurface the A.E. Wilson Park synthetic surface courts, to construct 4 new courts at the South Leisure Centre and decommission the Lakeview Par 3 site and to repair three asphalt sites. Recommendations will also be presented to Council with respect to decommissioning lesser used asphalt sites that are no longer meeting community needs.

City Operations - Landfill Facility

The new Landfill Facility and associated site plan is a result of the collaborative design effort between site stakeholders and the design team. The concept for the new Landfill Facility will provide a model of efficiency between the Landfill and Solid Waste Collection branches by sharing crew spaces and office support areas. The building is designed so that all functions and pedestrian traffic, including truck parking, are indoors to make operations more efficient during severe weather conditions. The location of the building on the site provides a visual identity for customers as well as separating the public vehicle traffic from the Landfill and Solid Waste Collection trucks and equipment to mitigate traffic hazards. The facility has the capability for expansion for future needs of Landfill and Solid Waste Collection. Fleet Training space will also be accommodated in the facility to eliminate the need for a new Fleet Training facility next to the Landfill.

Fire Facilities - New Pump Testing and Storage Facility

This funding is for the construction of a new pump testing and storage facility for Fire equipment and vehicles (80'x50'). Annual pump testing and re-certification will be performed in this new facility through the use of a drafting pit which currently cannot be accommodated in winter months. The new facility will also permit Fire pump operations training to be accommodated year-round.

Asset Revitalization**Cemeteries Facility Revitalization & Sustainability**

This funding is allocated to cemetery facilities for projects identified in the Facilities Management Services capital planning program. Projects include structural, architectural, mechanical, electrical and code or safety requirements in order to maintain the integrity of the facility systems such that the City programs and operations can continue to effectively operate.

Outdoor Pools Program

The City is currently developing a long-term facility/program plan to identify community need and infrastructure work required to maintain five outdoor pools into the future. The long-term facility/program plan with detailed costing will be available in early 2014.

Transit Shelters - New

The primary function for transit shelters is to protect customers from the weather both directly (e.g. from rain), and indirectly (e.g. from splashing caused by passing cars). Every year shelters may be added or relocated to accommodate changes in patronage. This funding is to add new shelters as a result of route revisions and additions. It is consistent with the Transit Investment Plan and will benefit transit passengers resulting in the wait for a transit bus a more pleasurable experience.

Information Technology

Capital Expenditures (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Business Applications						
Business Transformation	1,750	1,750	1,750	-	-	5,250
Digital Archive	50	-	-	-	-	50
Election Management Solution	-	60	-	-	-	60
Electronic Document Management	-	-	-	-	400	400
Transit Automated Stop Announcement System	-	250	-	-	-	250
Supporting Infrastructure						
ITS Sustainable Infrastructure	250	250	1,800	1,800	1,800	5,900
ITS Technology Growth	200	200	200	200	200	1,000
Materials Yard Weigh Scale Computer and Software Replacement	30	-	-	-	-	30
Municipal Area Network Broadband Wireless	-	150	-	50	-	200
Total Expenditures	2,280	2,660	3,750	2,050	2,400	13,140
Funding Sources						
Asphalt Plant Reserve	30	-	-	-	-	30
Current Contributions	2,250	2,660	3,750	2,050	2,400	13,110
Total	2,280	2,660	3,750	2,050	2,400	13,140

Business Technology

The role of business technology is to enable business processes, encourage innovation and support the effective and efficient delivery of civic services. That includes water and sewer services, waste collection and disposal, traffic control, transit services, road and infrastructure maintenance, fire control, recreation facilities and program registration, land-use planning, permits, building inspections, property assessment and taxation, corporate systems for financial and human resources, regulatory functions and many others.

The City uses technology to enhance the quality and delivery of services for the benefit of citizens. The goal is to fully integrate all aspects of the City's business, including service delivery, workflow, staffing, front-line and support activities. Electronic service delivery initiatives allow city services to become more accessible and responsive to the needs of citizens. Technical initiatives such as provisioning employees with mobile equipment and suitable systems allow them to access current information and respond more quickly when working outside. Both types of initiatives support the efficiency, effectiveness, reliability, and affordability of service delivery.

The Business Technology capital program is developed based on the needs of the corporation. Project proposals are prepared by the business areas and then reviewed and prioritized by the Information Technology Project Evaluation Committee. This group, representing all areas of the Corporation, challenge initiatives regarding business readiness, Return on Investment (ROI) and completeness. Successful projects move on to the Information Technology Governance Committee (ITGC), chaired by the Director of ITS and including Director-level representation from each business division. The ranking criteria at ITGC takes into consideration the initiative's fit with the sponsoring division or working groups' business plan, along with integration to the City's strategic priorities, the long-term technology plan and the corporate IT Guiding Principles. The allocation of funding and resources is targeted to the highest-ranking initiatives based on these criteria. The Business Technology portfolio of initiatives and priority ratings are updated regularly through internal reviews as well as reacting to external factors such as legislative changes.

Business Technology capital projects often span more than one fiscal year. Circumstances such as vendor delays, corporate priorities changing or refocusing on essential services can impact the specific timing of expenditures and project completions.

The initiatives planned and underway for 2014 are outlined in the following summaries. The initiatives are being funded from a combination of previously authorized capital plus the 2014 allocation. Some projects will extend beyond 2014, affecting the timing of these budgeted expenditures.

Current Year Programs

Business Applications

Business Transformation

This multi-year program is based on the key tenets of: Standardize processes across the corporation, Eliminate both manual effort and duplicate data entry and Automate the process where technically possible and achievable. Ultimately it provides better technology and tools to employees providing civic services and reduces organizational risk. It focuses on leveraging the newly upgraded Oracle eBusiness Suite as the foundation for continuous process improvements and tighter integration. The program will enable employee and manager self-service capabilities, automated workflows and better methods for securing data. The multi-year strategy will transform the City's business processes efficiently capturing the relevant data and effectively reporting on the results. The following projects are planned for 2014:

- Procurement Card Holder Rollout project will focus on streamlining the Procurement card process by improving the business processes and instilling cardholder accountability and flexibility to reconcile transactions. Elimination of multiple transaction touch points and re-work will ensure data accuracy at the point of input and increase business efficiency.
- Travel Expense Reporting and Tracking project will standardize and streamline travel expense capture and entry processes. Online tracking of the expense report cycle as well as online approvals of expense reports will increase compliance with audit requirements and provide increased visibility and control of costs.
- Supplier Procurement and Contract Lifecycle Management project will provide advanced supply chain functionality to better manage competitive procurement and contract processes. Current processes related to the request for proposals, bid receipt and evaluation processes will be reviewed, revised and documented for implementing functionality within the corporate systems.
- Budget to Variance project will create the strategy and capability to produce multiyear budget as well as monthly forecasting, introduce new budget technology improve the integration between the HR, Financial and Budget systems, enhance controls for changes in planned spending, eliminate inefficiencies in these financial processes, reduce the work effort in creating management reports, and introduce the ability to do more complex scenario analysis of planned to actual spending
- Human Resource Management System project is a multi-year initiative that will implement an integrated Core HR/Payroll, Time & Labour system within the Oracle e-Business platform and position the City to implement future HR projects. This will implement a "single source of truth" for employee data. A corporate scheduling solution will also be implemented as part of the initial HR project that will enable consistent data entry into payroll. Additional functionality related to employee and manager self-services, compensation and benefits, recruitment, performance management, workforce scheduling, and safety management have been planned for future consideration to increase efficiencies, provide value add services, and realize HR best practice.

Digital Archive

The City of Regina Archives is in the process of separating historical records from corporate records and moving all historical records to digital format. After digitizing, records are uploaded to our online archive. Transferring hard copy to digital copy will enhance the records accessibility, integrity and preservation.

Supporting Infrastructure

ITS Sustainable Infrastructure

Provides the ongoing funding to replace aging and end of life ITS infrastructure components including hardware, software, storage and networking equipment.

ITS Technology Growth

This project provides the funding to allow the City to deliver infrastructure services to new employees as well as existing employees just starting to use technology in their job. It also allows for business areas growth in usage of infrastructure services such as data storage and computer capacity.

Materials Yard Weigh Scale Computer and Software Replacement

Upgrade of major components of asphalt plant.

Future Years Planned Programs**Business Applications****Election Management Solution**

This project will replace a number of databases that were created for the purpose of managing civic addressing, parcel information, polling areas, polling places, ward boundaries, school subdivisions, staffing including hiring, payroll, training and scheduling, special polls, and supplies that were created to manage municipal and school board elections. Elections Saskatchewan and Elections Alberta have software already built containing the elements required for municipal elections.

Electronic Document Management

This project will implement an effective records management practice to include all electronic records. The application currently manages paper records, in order to comply with the requirements of The Cities Act.

Transit Automated Stop Announcement System

This project will allow customers with visual disabilities to more effectively navigate the transit system because stop locations will be announced audibly on all transit routes. The audible stop announcement system will also assist people who are unfamiliar with the conventional transit system to locate stops.

Supporting Infrastructure**Municipal Area Network Broadband Wireless**

This multi-year initiative is connecting traffic signals to the wireless network as well as higher speed access for remote facilities not already included in the existing fibre network. Work remaining includes completing Zone 2 (north-east) in 2013, resulting in 80% of the City's traffic signals being covered. That will leave for 2014 Zone 6 (South Regina) and half a dozen traffic signals in the west.

Regina Revitalization Initiative

Capital Summary (\$000's)	2014	2015	2016	2017	2018	Five Year Total
Stadium Project	59,429	164,465	25,359	12,500	-	261,753
Total Expenditures	59,429	164,465	25,359	12,500	-	261,753
Funding Sources						
Debentures	15,076	139,465	12,859	-	-	167,400
Private Sports Groups	-	-	12,500	12,500	-	25,000
Provincial Grant	44,353	25,000	-	-	-	69,353
Total	59,429	164,465	25,359	12,500	-	261,753

Stadium Project

The Regina Revitalization Initiative was launched by the City of Regina in May 2011 as a vision to redevelop two large areas of land in Regina's inner-city. The new stadium will be located at Evraz Place. Construction is planned to begin in 2014 and occupancy of the new stadium will be in 2017. The City has developed a financial cap of \$278.2 million for the Stadium Project. The timing of the cash outflows for the Stadium Project represents the assumptions and estimates as outlined in the Stadium Project Financial Plan that was submitted to City Council on January 28, 2013. The timing of the milestone construction payments may change as the project progresses. Any changes to the assumptions and estimates in the financial plan will be mitigated through prudent management of the project.

Regina Police Service

Capital Program Summary

Capital Summary (\$000's)	2014	2015	2016	2017	2018	Total
Emergency Services Equipment	329	106	125	83	35	679
Facilities Development	167	1,076	693	3,942	137	6,015
Fleet	670	670	670	670	670	3,350
Info Management/Projects	217	630	430	275	100	1,652
Info Technology Infrastructure	497	1,436	1,072	572	535	4,112
Communications	2,005	126	-	-	-	2,131
Total Expenditures	3,885	4,044	2,990	5,542	1,477	17,937
Funding Sources						
Current Contributions	2,001	4,044	2,990	5,542	1,477	16,053
General Fund Reserve	970	-	-	-	-	970
Police General Reserve	914	-	-	-	-	914
Total	3,885	4,044	2,990	5,542	1,477	17,937

The information in this summary is based on the 2014 – 2018 Capital Budget recommendations of the Board of Police Commissioners.

Additional information is available in the budget documents that were approved by the Board of Police Commissioners.

General Capital Investment Program Funding

Capital Funding Summary

Capital Funding Summary (\$000's)	2014	2015	2016	2017	2018	Total
Current Contributions to Capital						
Civic Current Contributions	29,432	31,137	31,111	31,884	31,218	154,783
Police Current Contributions	2,001	4,044	2,990	5,542	1,477	16,053
Total	31,433	35,181	34,101	37,426	32,695	170,836
Debt						
Debentures	15,076	139,465	12,859	-	-	167,400
Total	15,076	139,465	12,859	-	-	167,400
Internal Reserves & Transfers						
Asphalt Plant Reserve	180	150	150	150	150	780
Cemetery Reserve	90	110	125	110	110	545
Employer Parking Reserve	300	275	250	300	250	1,375
Fleet Replacement Reserve	9,905	10,526	10,097	6,653	10,612	47,793
General Fund Reserve	970	-	-	-	-	970
Golf Course Reserve	475	450	450	750	750	2,875
Land Development Reserve	22,200	500	500	-	-	23,200
Police General Reserve	914	-	-	-	-	914
Solid Waste Reserve	13,110	18,448	24,603	12,373	5,330	73,864
Asset Revitalization Reserve	2,837	-	-	-	-	2,837
Total	50,981	30,459	36,175	20,336	17,203	155,154
Federal Funding						
Gas Tax (GT)	10,778	10,900	10,900	10,900	10,900	54,378
Total	10,778	10,900	10,900	10,900	10,900	54,378
Provincial Funding						
Provincial Grant	44,353	25,000	-	-	-	69,353
Urban Highway Connector Program (UHCP)	6,500	-	-	-	-	6,500
Total	50,853	25,000	-	-	-	75,853
External Funding						
Developer Contributions	351	4,601	3,034	-	1,452	9,438
Service Agreement Fees (Parks)	1,305	944	646	1,001	3,152	7,048
Service Agreement Fees (Roads)	1,331	6,386	4,027	18,069	8,216	38,029
Other External	50	-	-	-	90	140
Private Sports Groups	-	-	12,500	12,500	-	25,000
Total	3,037	11,931	20,207	31,570	12,910	79,655
Total Funding	162,159	252,936	114,241	100,233	73,707	703,276
Total General Capital Expenditures	162,159	252,936	114,241	100,233	73,707	703,276

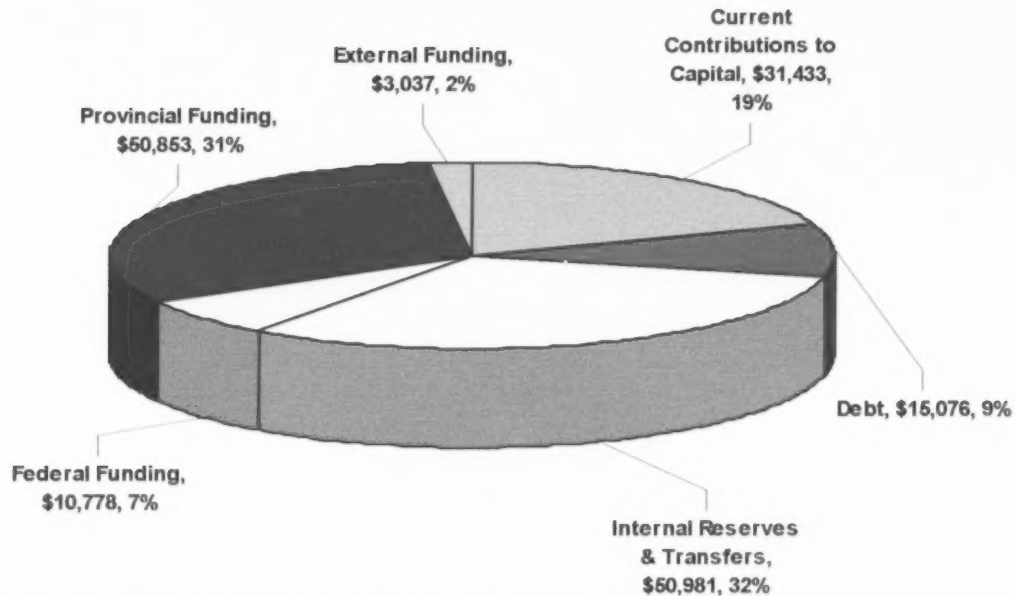
Key elements of the funding plan for the 2014 – 2018 General Capital Program include:

The 2014 – 2018 General Capital Budget was developed including only verified Federal and Provincial capital funding.

The funding plan incorporates the use of internal reserves such as the Landfill Reserve, Equipment Replacement Reserve, Technology Reserve, Golf Course Reserve, the Dedicated Land Reserve and Cemetery Reserve.

2014 General Capital Funding

Sources of Capital Funding - 2014



For the 2014 General Capital Budget, the current contributions to capital include:

Current contributions to capital to fund the Regina Police Service Capital Program. **The projected amount available for 2014 is \$2.0 million, an increase of \$0.8 million over 2013's current contributions.**

Current contributions to fund the general portion of the General Capital Program. **The current contributions to capital for 2014 for the general portion of the General Capital Program are \$29.4 million, an increase of \$5.2 million over 2013's current contribution.**

Internal Reserves

General Fund Reserve

The General Fund Reserve is the primary general-purpose reserve maintained by the City. The major sources of transfers to the reserve are the operating surplus and unexpended capital funds that are returned to the reserve. A General Fund Reserve balance of \$14 million to \$28 million representing 5% to 10% of budgeted revenues is the suggested preferred minimum balance. The following table provides a projection for the General Fund Reserve.

General Fund Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	27,161	18,900	18,900	18,900	18,900
Projected Requirements:					
Change in Funding from Mill Rate to Reserve	(1,000)				
Funding Required for Capital Program	(970)	-	-	-	-
North American Indigenous Games (NAIG)	(250)	-	-	-	-
One Time Costs For Boundary Alteration Implementation	(431)	-	-	-	-
Tax Loss Compensation - RM of Sherwood	(5,610)				
Reserve Balance - End of Year	18,900	18,900	18,900	18,900	18,900

Land Development Reserve

A Land Development Reserve has been formally approved by City Council, decision CR11-2, as a method of funding land development, and separating those cash flows, which are subject to significant uncertainty from the projections for the General Fund Reserve. The following forecast has been prepared based on projections of land sales from the Real Estate Department.

Land Development Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	16,513	313	4,313	8,313	12,813
Projected Requirements:					
Contributions to the Reserve - Land Sales	6,000	4,500	4,500	4,500	4,500
Funding Required for Capital Program	(22,200)	(500)	(500)	-	-
Reserve Balance - End of Year	313	4,313	8,313	12,813	17,313

Asset Revitalization Reserve

A dedicated Asset Revitalization Reserve allocates dedicated funds to meet the strategic capital priorities of the City to assist in managing the growth and revitalization of the City. The major source of funding for

this reserve is interest revenue earned over the estimated earnings in the annual operating budget. The vision and strategic plan, coupled with long-term financial planning including the development of special purpose reserves can assist the City in meeting its future growth and revitalization needs.

Asset Revitalization Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	5,961	8,924	11,424	11,424	14,624
Projected Requirements:					
Payback from Fleet Replacement Reserve re: 2014 Advance Bus Purchase (6 buses)	3,300	-	-	3,200	-
Winnipeg Street Bridge - Saving up Current Contributions	2,500	2,500	-	-	-
Funding Required for Capital Program	(2,837)	-	-	-	-
Reserve Balance - End of Year	<u>8,924</u>	<u>11,424</u>	<u>11,424</u>	<u>14,624</u>	<u>14,624</u>

Solid Waste Reserve

The Solid Waste Reserve is funded through a transfer from the General Operating Budget. Operating surpluses, resulting from annual external revenues exceeding operating expenditures are transferred to the Solid Waste Reserve. Conversely, any operating deficits are withdrawn from the Reserve to fund the shortfall. The Solid Waste Reserve is used to fund capital expenditures for Landfill Operations, Solid Waste Collection and Waste Diversion Services branches.

Solid Waste Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	19,878	18,501	12,258	4,787	6,513
Projected Requirements:					
Contributions to Reserve	12,539	13,041	18,000	15,000	15,600
Landfill Closure & Post-Closure Liability	(806)	(836)	(868)	(901)	(935)
Funding Required for Capital Program	(13,110)	(18,448)	(24,603)	(12,373)	(5,330)
Reserve Balance - End of Year	<u>18,501</u>	<u>12,258</u>	<u>4,787</u>	<u>6,513</u>	<u>15,849</u>

Golf Course Reserve

The Golf Course Reserve is funded through a transfer from the General Operating Budget. Operating surpluses, resulting from annual revenues exceeding operating expenditures and an allowance for administrative costs are transferred to the Golf Course Reserve. Conversely, any operating deficits are withdrawn from the Reserve to fund the shortfall. The Golf Course Reserve is used to fund capital expenditures for the Golf Courses.

Golf Course Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	579	522	508	514	240
Projected Requirements:					
Contributions to Reserve	417	436	456	476	515
Funding Required for Capital Program	(475)	(450)	(450)	(750)	(750)
Reserve Balance - End of Year	<u>522</u>	<u>508</u>	<u>514</u>	<u>240</u>	<u>5</u>

Cemetery Reserve

The Cemetery Reserve is funded through a transfer of surpluses from Cemetery operations. Conversely, any operating deficits are withdrawn from the Reserve to fund the shortfall. The Cemetery Reserve is used to fund capital expenditures for the Cemeteries.

Cemetery Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	475	462	430	385	356
Projected Requirements:					
Contributions to Reserve	77	78	80	81	83
Funding Required for Capital Program	(90)	(110)	(125)	(110)	(110)
Reserve Balance - End of Year	<u>462</u>	<u>430</u>	<u>385</u>	<u>356</u>	<u>329</u>

Fleet Replacement Reserve

Formerly, the Equipment Replacement Reserve, the Fleet Replacement reserve was established in September 2010 by Bylaw 2010-49 to amalgamate the Equipment Replacement and Transit Equipment Reserves into one Fleet Replacement Reserve. The new reserve includes separate accounts for the Civic, Transit and Fire fleets.

The Fleet Replacement Reserve is used to fund the replacement of vehicles and equipment for the civic, transit and fire fleets including support vehicles. The reserve is used to fund the replacement of existing equipment, not to purchase new equipment. Additional equipment is funded separately through the capital program. The amount transferred to the reserve each year represents the depreciation charged on the existing fleet of vehicles and equipment.

Fleet Replacement Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	10,520	13,918	17,363	21,237	25,354
Projected Requirements:					
Contributions to Reserve	12,940	13,971	13,971	13,971	13,971
Gas Tax Revenue	3,663	-	-	-	-
2014 Advance Approval (Bus Purchase)					
Payback to Asset Revitalization Reserve	(3,300)	-	-	(3,200)	(3,200)
Funding Required for Capital Program	(9,905)	(10,526)	(10,097)	(6,653)	(10,612)
Reserve Balance - End of Year	13,918	17,363	21,237	25,354	25,513

Asphalt Plant Reserve

The Asphalt Plant Reserve funds the capital requirements and maintenance costs of the asphalt plant. The reserve is funded through a charge on the asphalt produced in the plant. The charge is \$5.00 per tonne. The charge includes \$2.50 per tonne for funding of capital requirements and \$2.50 per tonne for maintenance costs. The following table provides a projection for the reserve for the next five years.

Asphalt Plant Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	1,046	1,066	1,116	1,166	1,216
Projected Requirements:					
Contributions to Reserve	200	200	200	200	200
Funding Required for Capital Program	(180)	(150)	(150)	(150)	(150)
Reserve Balance - End of Year	1,066	1,116	1,166	1,216	1,266

Employer Provided Parking Reserve

Employer Provided Parking Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	578	697	840	1,009	1,128
Projected Requirements:					
Contributions to Reserve	490	490	490	490	490
Funding Required for Capital Program	(300)	(275)	(250)	(300)	(250)
Parking Lot Operating Expenses	(71)	(71)	(71)	(71)	(71)
Reserve Balance - End of Year	697	840	1,009	1,128	1,297

The Employer Provided Parking Reserve is funded from parking fees paid by employees. The net fees, after deducting operating costs, are transferred to the reserve to fund capital requirements for the parking facilities. The facilities include the parade at City Hall and parking lots at other civic facilities.

Technology Reserve

The Technology Reserve is funded from the net revenue generated from the print and office services (computer leasing) programs. These services are budgeted to provide a small surplus to fund the replacement of equipment for the print and office services operations, and if required, to offset a shortfall in the operation of the services.

Technology Reserve (\$000's)					
	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	719	1,019	1,319	1,619	1,919
Projected Requirements:					
Contributions to Reserve	300	300	300	300	300
Funding Required for Capital Program	-	-	-	-	-
Reserve Balance - End of Year	1,019	1,319	1,619	1,919	2,219

Regina Revitalization Initiative Stadium Reserve

Regina Revitalization Initiative Stadium Reserve (\$000's)					
	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	715	59,832	15,071	16,078	10,403
Projected Sources of Funds					
Provincial Grant	19,353	25,000	25,000	-	-
Provincial Loan	100,000	-	-	-	-
City of Regina Debenture	-	100,400	-	-	-
Saskatchewan Roughriders Football Club	-	-	12,500	12,500	-
Projected Requirements					
Funding Required for Capital Program	(59,429)	(164,465)	(25,359)	(12,500)	-
Funding Required for Operating and Debt Servicing	(807)	(5,696)	(11,134)	(5,675)	(4,680)
	59,832	15,071	16,078	10,403	5,723

The Regina Revitalization Initiative Stadium Reserve is used to fund stadium capital projects or a loss in stadium operations. The annual contribution to the reserve is the net revenue or expenditure for the year of stadium operating projects, the net capital funding or expenditure for the year of stadium capital projects and any interest revenue that is earned during the year with respect to the Regina Revitalization Initiative Stadium projects. The account balance for the Regina Revitalization Initiative Stadium Reserve is allowed to go into a negative position to allow for years of temporary negative cash position.

Regina Police Service General Reserve

The Regina Police Service General Reserve is used to fund any one-time operating expenditure included in the annual operating budget and transfers to fund capital projects as requested by the Board of Police Commissioners and approved by Council. Contribution to the reserve is the net revenue or expenditure from the annual operating budget of the Regina Police Service and unexpended capital funds from projects that are completed or not proceeding.

Regina Police Service General Reserve (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	914	-	-	-	-
Projected Requirements:					
Contributions to Reserve	-	-	-	-	-
Funding Required for Capital Program	(914)	-	-	-	-
Reserve Balance - End of Year	-	-	-	-	-

Servicing Agreement Fees and Development Levies

Servicing Agreement Fees and Development Levies (SAF) are established under *The Planning and Development Act, 2007* and are recognized as revenue when a developer and the City enter into a servicing agreement or development levy agreement even if some actual cash payments are received subsequent to the agreement signing. The agreements require a payment to the City of a predetermined amount per hectare of land within the development area. The funds are intended to be used towards the construction of regional infrastructure to support new development. Funds associated with a specific agreement are not necessarily managed on a specific project by project basis because infrastructure demands related to new development do not necessarily occur only within the particular development. For example, each new development places an indirect demand on wastewater treatment facilities and major arterials.

City policy determines the projects and the percentage of project costs eligible for Servicing Agreement Fee funding.

In the case of roadways, water, and sewer costs for development, the City would typically incur the costs prior to the full development of an area (cash outflows to fund projects usually occur before the development is full built out). Parks and Recreation infrastructure costs are generally incurred later in the process.

In 2011, the City amended the Administration of Servicing Agreement Fees Policy to include provisions for development levies (for simplicity, they are simply referred to as SAFs) and completed a rate review to adopt a 2012 SAF Rate. The annual review of the SAF rate includes estimates of the capital requirements related to new development over the next 20 years to ensure the rate keeps pace with increases in the construction market and accurately reflects the extent of infrastructure that is necessary to support development in areas of the City where new development is planned and where SAFs are charged.

The fees increased by 9.2% from 2013 (\$241,958 per hectare) to a 2014 rate of \$264,273 per hectare of developed land. These per hectare fees are actually comprised of four basic parts - a separate fund for Utility projects, Parks and Recreation projects, and Roadways projects as well as an Administrative Services cost component. An accounting of the Utility SAF Reserve appears in the City's Water and Sewer Utility budget document. Despite the increase in fees, which now include a financing cost element, significant additional funding is required to support these new neighbourhoods, and there will be a significant cash outflow required by the City to fund its share of infrastructure, as well as to finance the

infrastructure paid for through SAFs. This amount will be repaid through SAFs as new development proceeds.

SAF revenue is recognized when developers reach a Servicing Agreement with the City. In many instances capital projects eligible for SAF funding have been undertaken ahead of the funds being received from developers. As such, there is currently a shortfall in SAF funding, and shortfalls are projected over the next five years, although the shortfalls have been significantly reduced from previous projections as a result of the SAF review and the rate increase. Currently, the fee projections are based on the development of an average of 80 hectares per year over the next 20 years.

The City is beginning the implementation of a new growth plan and in support of that plan, the City is undertaking new initiatives, including a Phasing and Financing project and a 2014 SAF Policy review. It is expected that the projected expenditures and revenues related to growth will change significantly as a result of the new growth areas and these corresponding initiatives.

Roadways Servicing Agreement Fees

Roadways Servicing Agreement Fees are pursuant to *The Planning and Development Act, 2007* and are recognized as revenue when a development agreement is entered into between the City and a developer. In 2014, the agreements require a payment to the City of \$79,523 per hectare of land within the development area for Roads and Related Infrastructure. Upon execution of a servicing agreement, 30% of the levy is paid, with another 40% within nine months and the balance within a further nine months.

The projections for Roads and Related servicing agreement fees appear below. The fee projections have been based on the development of an average of 80 hectares per year over the next 20 years

<u>Roadways Servicing Agreement Fees (\$000's)</u>					
	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	8,716	13,122	13,084	15,638	4,425
Projected Requirements:					
Servicing Agreement Fees Collected	6,362	6,616	6,881	7,156	7,442
Funding Required for Capital Program	(1,331)	(6,386)	(4,027)	(18,069)	(8,216)
Interest	(625)	(268)	(300)	(300)	(300)
Reserve Balance - End of Year	13,122	13,084	15,638	4,425	3,352

Parks and Recreation Servicing Agreement Fees

Parks and Recreation servicing agreement fees are pursuant to the *Planning and Development Act, 2007* and are recognized as revenue when a servicing agreement is entered into between the City and a developer. In 2014, the agreements require a payment to the City of \$22,616 per hectare of land within the development area. Within one year of the execution of a servicing agreement, 50% of the levy is paid, and remaining 50% balance within a further year.

The projections for Parks and Recreation servicing agreement fees appear below. The fee projections have been based on the development of an average of 80 hectares per year over the next 10 years.

Parks Development Servicing Agreement Fees (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	8,905	9,600	10,779	12,331	13,606
Projected Requirements:					
Servicing Agreement Fees Collected	1,809	1,882	1,957	2,035	2,117
Interest	191	241	241	241	241
Funding Required for Capital Program	(1,305)	(944)	(646)	(1,001)	(3,152)
Reserve Balance - End of Year	<u>9,600</u>	<u>10,779</u>	<u>12,331</u>	<u>13,606</u>	<u>12,812</u>

Deferred Revenue – Dedicated Lands Charges

Pursuant to Section 187 of the *Planning and Development Act*, 2007, developers are required to dedicate a portion of a development as municipal reserve. The legislation provides that a developer may make a payment in lieu of dedicating the required lands. The funds received are held as deferred revenue until such time as the funds are expended on eligible expenditures. The funds are to be used for the purchase of land to be dedicated for public use or used for the development of and maintenance of existing municipal reserves.

Deferred Revenue (Dedicated Lands) (\$000's)

	2014	2015	2016	2017	2018
Reserve Balance - Start of Year	1,738	1,886	3,679	3,832	3,985
Projected Requirements:					
Fees Collected	125	1,765	125	125	125
Interest	23	28	28	28	28
Funding Required for Capital Program	-	-	-	-	-
Reserve Balance - End of Year	<u>1,886</u>	<u>3,679</u>	<u>3,832</u>	<u>3,985</u>	<u>4,138</u>